

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, DC 20549

**FORM 10-Q**

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 or 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended June 30, 2024

OR

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

**Commission File No. 000-20827**

**CASS INFORMATION SYSTEMS, INC.**

(Exact name of registrant as specified in its charter)

**Missouri**

(State or other jurisdiction of incorporation or organization)

**43-1265338**

(I.R.S. Employer Identification No.)

**12444 Powerscourt Drive , Suite 550**

**St. Louis , Missouri**

(Address of principal executive offices)

**63131**

(Zip Code)

**( 314 ) 506-5500**

(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading symbols	Name of each exchange on which registered
Common stock, par value \$.50	CASS	The Nasdaq Global Select Market

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).

Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer	<input type="checkbox"/>	Accelerated Filer	<input checked="" type="checkbox"/>
Non-Accelerated Filer	<input type="checkbox"/>	Smaller Reporting Company	<input type="checkbox"/>
		Emerging Growth Company	<input type="checkbox"/>

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes ☐ No ☒

The number of shares outstanding of the registrant's only class of common stock as of August 6, 2024: Common stock, par value \$.50 per share – 13,626,141 shares outstanding.

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**Forward-looking Statements - Factors That May Affect Future Results**

This report may contain or incorporate by reference forward-looking statements made pursuant to the safe harbor provisions of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Although we believe that, in making any such statements, our expectations are based on reasonable assumptions, forward-looking statements are not guarantees of future performance and involve risks, uncertainties, and other factors beyond our control, which may cause future performance to be materially different from expected performance summarized in the forward-looking statements. These risks, uncertainties and other factors are discussed in Part I, Item 1A, "Risk Factors" of the Company's 2023 Annual Report on Form 10-K, filed with the Securities and Exchange Commission ("SEC"), which may be updated from time to time in our future filings with the SEC. We undertake no obligation to publicly update or revise any forward-looking statements to reflect changed assumptions, the occurrence of anticipated or unanticipated events, or changes to future results over time.

**PART I. FINANCIAL INFORMATION**
**ITEM 1. FINANCIAL STATEMENTS**

**CASS INFORMATION SYSTEMS, INC. AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**  
(Dollars in Thousands except Share and Per Share Data)

	June 30, 2024 (Unaudited)	December 31, 2023
<b>Assets</b>		
Cash and due from banks	\$ 5,755	\$ 20,908
Short-term investments	217,972	351,560
Cash and cash equivalents	223,727	372,468
Securities available-for-sale, at fair value	540,802	627,117
Loans	1,061,991	1,014,318
Less: Allowance for credit losses	13,634	13,089
Loans, net	1,048,357	1,001,229
Payments in advance of funding	214,581	198,861
Premises and equipment, net	33,469	30,093
Investment in bank-owned life insurance	49,840	49,159
Goodwill	17,309	17,309
Other intangible assets, net	2,972	3,345
Accounts and drafts receivable from customers	78,407	110,651
Other assets	73,132	68,390
Total assets	\$ 2,282,596	\$ 2,478,622
<b>Liabilities and Shareholders' Equity</b>		
<u>Liabilities:</u>		
Deposits:		
Noninterest-bearing	\$ 372,031	\$ 524,359
Interest-bearing	640,315	616,455
Total deposits	1,012,346	1,140,814
Accounts and drafts payable	996,832	1,071,369
Other liabilities	43,493	36,630
Total liabilities	2,052,671	2,248,813
<u>Shareholders' Equity:</u>		
Preferred stock, par value \$ .50 per share; 2,000,000 shares authorized and no shares issued	—	—
Common stock, par value \$ .50 per share; 40,000,000 shares authorized and 15,505,772 shares issued at June 30, 2024 and December 31, 2023; 13,645,248 and 13,582,375 shares outstanding at June 30, 2024 and December 31, 2023, respectively.	7,753	7,753
Additional paid-in capital	204,128	208,007
Retained earnings	149,236	145,782
Common shares in treasury, at cost ( 1,860,524 shares at June 30, 2024 and 1,923,397 shares at December 31, 2023)	( 81,554 )	( 84,264 )
Accumulated other comprehensive loss	( 49,638 )	( 47,469 )
Total shareholders' equity	229,925	229,809
Total liabilities and shareholders' equity	\$ 2,282,596	\$ 2,478,622

See accompanying notes to unaudited consolidated financial statements.

**CASS INFORMATION SYSTEMS, INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF INCOME**  
(Unaudited)  
(Dollars in Thousands except Per Share Data)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
<b>Fee Revenue and Other Income:</b>				
Processing fees	\$ 21,103	\$ 19,386	\$ 42,356	\$ 38,899
Financial fees	10,628	11,662	21,405	22,921
Other	1,329	1,025	2,596	2,360
Total fee revenue and other income	33,060	32,073	66,357	64,180
<b>Interest Income:</b>				
Interest and fees on loans	13,592	12,931	26,368	25,166
Interest and dividends on securities:				
Taxable	3,485	3,688	7,004	7,274
Exempt from federal income taxes	898	989	1,816	2,197
Interest on federal funds sold and other short-term investments	3,267	2,100	7,708	5,213
Total interest income	21,242	19,708	42,896	39,850
<b>Interest Expense:</b>				
Interest on deposits	5,312	3,651	10,490	6,822
Interest on short-term borrowings	—	43	—	116
Total interest expense	5,312	3,694	10,490	6,938
Net interest income	15,930	16,014	32,406	32,912
Provision for (release of) credit losses	400	( 120 )	495	( 460 )
Net interest income after provision for (release of) credit losses	15,530	16,134	31,911	33,372
Total net revenue	48,590	48,207	98,268	97,552
<b>Operating Expense:</b>				
Personnel	29,857	29,432	60,464	59,458
Occupancy	826	907	1,687	1,762
Equipment	1,988	1,749	3,869	3,399
Amortization of intangible assets	182	195	373	390
Other operating expense	9,940	7,056	17,071	14,702
Total operating expense	42,793	39,339	83,464	79,711
Income before income tax expense	5,797	8,868	14,804	17,841
Income tax expense	1,313	1,730	3,168	3,586
Net income	\$ 4,484	\$ 7,138	\$ 11,636	\$ 14,255
Basic earnings per share	\$ .33	\$ .53	\$ .86	\$ 1.05
Diluted earnings per share	.32	.52	.84	1.03

See accompanying notes to unaudited consolidated financial statements.

**CASS INFORMATION SYSTEMS, INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**  
(Unaudited)  
(Dollars in Thousands)

	<b>Three Months Ended</b>		<b>Six Months Ended</b>	
	<b>June 30,</b>		<b>June 30,</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
<b>Comprehensive Income:</b>				
Net income	\$ 4,484	\$ 7,138	\$ 11,636	\$ 14,255
Other comprehensive income:				
Net unrealized (loss) gain on securities available-for-sale	( 590 )	( 5,627 )	( 2,686 )	3,554
Tax effect	140	1,339	639	( 846 )
Reclassification adjustments for losses included in net income	13	199	13	160
Tax effect	( 3 )	( 47 )	( 3 )	( 38 )
Foreign currency translation adjustments	( 42 )	12	( 132 )	97
Total comprehensive income	<u>\$ 4,002</u>	<u>\$ 3,014</u>	<u>\$ 9,467</u>	<u>\$ 17,182</u>

See accompanying notes to unaudited consolidated financial statements.

**CASS INFORMATION SYSTEMS, INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(Unaudited)  
(Dollars in Thousands)

	Six Months Ended June 30,	
	2024	2023
<b>Cash Flows From Operating Activities:</b>		
Net income	\$ 11,636	\$ 14,255
Adjustments to reconcile net income to net cash provided by operating activities:		
Amortization of intangible assets	373	390
Net amortization of premium/discount on investment securities	1,982	2,287
Depreciation	2,324	2,028
Losses on sales of securities	13	160
Stock-based compensation expense	1,700	2,859
Provision for (release of) credit losses	495	( 460 )
Increase (decrease) in current income tax liability	598	( 1,036 )
Increase in pension liability	423	224
Increase in accounts receivable	( 3,278 )	( 5,446 )
Other operating activities, net	4,252	1,712
Net cash provided by operating activities	20,518	16,973
<b>Cash Flows From Investing Activities:</b>		
Proceeds from sales of securities available-for-sale	24,985	111,053
Proceeds from maturities of securities available-for-sale	103,621	22,501
Purchase of securities available-for-sale	( 46,959 )	( 15,332 )
Net (increase) decrease in loans	( 47,674 )	27,058
(Increase) decrease in payments in advance of funding	( 15,720 )	24,595
Purchases of premises and equipment, net	( 5,700 )	( 6,390 )
Net cash provided by investing activities	12,553	163,485
<b>Cash Flows From Financing Activities:</b>		
Net (decrease) increase in noninterest-bearing demand deposits	( 152,328 )	36,350
Net increase (decrease) in interest-bearing demand and savings deposits	22,681	( 122,399 )
Net increase in time deposits	1,179	20,266
Net decrease in accounts and drafts receivable from customers	32,244	12,152
Net decrease in accounts and drafts payable	( 74,537 )	( 46,076 )
Cash dividends paid	( 8,182 )	( 7,941 )
Purchase of common shares for treasury	( 1,054 )	( 2,377 )
Other financing activities, net	( 1,815 )	( 902 )
Net cash used in financing activities	( 181,812 )	( 110,927 )
Net (decrease) increase in cash and cash equivalents	( 148,741 )	69,531
Cash and cash equivalents at beginning of period	372,468	200,942
Cash and cash equivalents at end of period	\$ 223,727	\$ 270,473
<b>Supplemental information:</b>		
Cash paid for interest	\$ 10,571	\$ 6,697
Cash paid for income taxes	3,035	4,598

See accompanying notes to unaudited consolidated financial statements.

**CASS INFORMATION SYSTEMS, INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY**  
**THREE MONTHS ENDED JUNE 30, 2024 AND 2023**  
(Unaudited)  
(Dollars in Thousands except per share data)

	Common Stock	Additional Paid-in Capital	Retained Earnings	Treasury Stock	Accumulated Other Comprehensive Loss	Total
Balance, March 31, 2023	\$ 7,753	\$ 206,614	\$ 134,822	\$ ( 79,419 )	\$ ( 52,270 )	\$ 217,500
Net income			7,138			7,138
Cash dividends (\$ 0.29 per share)			( 3,964 )			( 3,964 )
Issuance of 19,687 common shares pursuant to stock-based compensation plans, net		( 807 )		871		64
Stock-based compensation expense		927		(18)		909
Purchase of 63,305 common shares				( 2,377 )		( 2,377 )
Other comprehensive loss					( 4,124 )	( 4,124 )
Balance, June 30, 2023	<u>\$ 7,753</u>	<u>\$ 206,734</u>	<u>\$ 137,996</u>	<u>\$ ( 80,943 )</u>	<u>\$ ( 56,394 )</u>	<u>\$ 215,146</u>
Balance, March 31, 2024	\$ 7,753	\$ 204,361	\$ 148,845	\$ ( 82,316 )	\$ ( 49,156 )	\$ 229,487
Net income			4,484			4,484
Cash dividends (\$ 0.30 per share)			( 4,093 )			( 4,093 )
Issuance of 17,610 common shares pursuant to stock-based compensation plans, net		( 707 )		762		55
Stock-based compensation expense		474		—		474
Other comprehensive loss					( 482 )	( 482 )
Balance, June 30, 2024	<u>\$ 7,753</u>	<u>\$ 204,128</u>	<u>\$ 149,236</u>	<u>\$ ( 81,554 )</u>	<u>\$ ( 49,638 )</u>	<u>\$ 229,925</u>

**CASS INFORMATION SYSTEMS, INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY**  
**SIX MONTHS ENDED JUNE 30, 2024 AND 2023**  
(Unaudited)  
(Dollars in Thousands except per share data)

	Common Stock	Additional Paid-in Capital	Retained Earnings	Treasury Stock	Accumulated Other Comprehensive Loss	Total
Balance, December 31, 2022	\$ 7,753	\$ 207,422	\$ 131,682	\$ ( 81,211 )	\$ ( 59,321 )	\$ 206,325
Net income			14,255			14,255
Cash dividends (\$ .58 per share)			( 7,941 )			( 7,941 )
Issuance of 81,221 common shares pursuant to stock-based compensation plan, net		( 3,327 )		2,541		( 786 )
Exercise of SARs		( 238 )		122		( 116 )
Stock-based compensation expense		2,877		(18)		2,859
Purchase of 63,305 common shares				( 2,377 )		( 2,377 )
Other comprehensive gain					2,927	2,927
Balance, June 30, 2023	\$ 7,753	\$ 206,734	\$ 137,996	\$ ( 80,943 )	\$ ( 56,394 )	\$ 215,146
Balance, December 31, 2023	\$ 7,753	\$ 208,007	\$ 145,782	\$ ( 84,264 )	\$ ( 47,469 )	\$ 229,809
Net income			11,636			11,636
Cash dividends (\$ .60 per share)			( 8,182 )			( 8,182 )
Issuance of 123,296 common shares pursuant to stock-based compensation plans, net		( 5,611 )		3,796		( 1,815 )
Stock-based compensation expense		1,732		( 32 )		1,700
Purchase of 23,271 common shares				( 1,054 )		( 1,054 )
Other comprehensive loss					( 2,169 )	( 2,169 )
Balance, June 30, 2024	\$ 7,753	\$ 204,128	\$ 149,236	\$ ( 81,554 )	\$ ( 49,638 )	\$ 229,925

See accompanying notes to unaudited consolidated financial statements.



**CASS INFORMATION SYSTEMS, INC. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
(Unaudited)

**Note 1 - Basis of Presentation**

The accompanying unaudited consolidated financial statements have been prepared in accordance with U.S. generally accepted accounting principles for interim financial information and with the instructions to Form 10-Q and Rule 10-01 of Regulation S-X. Accordingly, they do not include all of the information and notes required by U.S. generally accepted accounting principles for complete financial statements. In the opinion of management, all adjustments, consisting of normal recurring accruals, considered necessary for a fair presentation have been included. Certain amounts in prior-period financial statements have been reclassified to conform to the current period's presentation. Such reclassifications have no effect on previously reported net income or shareholders' equity. For further information, refer to the audited consolidated financial statements and related footnotes included in Cass Information System, Inc.'s (the "Company" or "Cass") Annual Report on Form 10-K for the year ended December 31, 2023 ("2023 Form 10-K").

**Note 2 – Intangible Assets**

The Company accounts for intangible assets in accordance with Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 350, *Goodwill and Other Intangible Assets*, which requires that intangibles with indefinite useful lives be tested annually for impairment, or when management deems there is a triggering event, and those with finite useful lives be amortized over their useful lives.

Details of the Company's intangible assets are as follows:

	June 30, 2024		December 31, 2023	
	Gross Carrying Amount	Accumulated Amortization	Gross Carrying Amount	Accumulated Amortization
<i>(In thousands)</i>				
Assets eligible for amortization:				
Customer lists	\$ 6,470	\$ (4,979)	\$ 6,470	\$ (4,851)
Patents	72	(38)	72	(36)
Software	3,212	(2,146)	3,212	(1,933)
Trade name	373	(84)	373	(70)
Other	500	(408)	500	(392)
Unamortized intangible assets:				
Goodwill	17,309	—	17,309	—
Total intangible assets	\$ 27,936	\$ (7,655)	\$ 27,936	\$ (7,282)

The customer lists are amortized over 7 to 10 years; the patents over 18 years; software over 3 to 7 years; the trade names over 10 to 20 years; and other intangible assets over 15 years. Amortization of intangible assets amounted to \$ 182,000 and \$ 373,000 for the three and six-month periods ended June 30, 2024, respectively. Amortization of intangible assets amounted to \$ 195,000 and \$ 390,000 for the three and six-month periods ended June 30, 2023, respectively. Estimated annual amortization of intangibles is \$ 738,000 in 2024, \$ 730,000 in 2025, \$ 582,000 in 2026, \$ 262,000 in 2027, and \$ 254,000 in 2028.

**Note 3 – Earnings Per Share**

Basic earnings per share is computed by dividing net income by the weighted-average number of common shares outstanding. Diluted earnings per share is computed by dividing net income by the sum of the weighted-average number of common shares outstanding and the weighted-average number of potential common shares outstanding. Under the treasury stock method, stock appreciation rights ("SARs") are dilutive when the average market price of the Company's common stock, combined with the effect of any unamortized compensation expense, exceeds the SAR price during a period.

The calculations of basic and diluted earnings per share are as follows:

(In thousands except share and per share data)

(In thousands except share and per share data)	Three Months Ended June 30,				Six Months Ended June 30,			
	2024		2023		2024		2023	
Basic								
Net income	\$	4,484	\$	7,138	\$	11,636	\$	14,255
Weighted-average common shares outstanding		13,538,283		13,553,346		13,534,256		13,576,281
Basic earnings per share	\$	0.33	\$	0.53	\$	0.86	\$	1.05
Diluted								
Net income	\$	4,484	\$	7,138	\$	11,636	\$	14,255
Weighted-average common shares outstanding		13,538,283		13,553,346		13,534,256		13,576,281
Effect of dilutive restricted stock and stock appreciation rights		283,793		300,696		269,421		282,412
Weighted-average common shares outstanding assuming dilution		13,822,076		13,854,042		13,803,677		13,858,693
Diluted earnings per share	\$	0.32	\$	0.52	\$	0.84	\$	1.03

#### Note 4 – Stock Repurchases

The Company maintains a treasury stock buyback program pursuant to which, in October 2023, the Board of Directors authorized the repurchase of up to 500,000 shares of the Company's common stock with no expiration date. As of June 30, 2024, the Company had 462,765 shares remaining available for repurchase under the program. The Company repurchased 0 and 23,271 shares during the three and six-month periods ended June 30, 2024, respectively and 63,305 shares for both the three and six-month periods ended June 30, 2023, respectively. Repurchases may be made in the open market or through negotiated transactions from time to time depending on market conditions.

#### Note 5 – Industry Segment Information

The services provided by the Company are classified into two reportable segments: Information Services and Banking Services. Each of these segments provides distinct services that are marketed through different channels. They are managed separately due to their unique service and processing requirements.

The Information Services segment provides transportation, energy, telecommunication, and environmental invoice processing and payment services to large corporations. In addition, this segment provides church management software and on-line generosity services primarily for faith-based ministries. The Banking Services segment provides banking services primarily to privately held businesses, franchise restaurants, and faith-based ministries, as well as supporting the banking needs of the Information Services segment.

The Company's accounting policies for segments are the same as those described in the summary of significant accounting policies in the Company's 2023 Form 10-K. Management evaluates segment performance based on pre-tax income after allocations for corporate expenses. Transactions between segments are accounted for at what management believes to be fair value.

Substantially all revenue originates from, and all long-lived assets are located within, the United States and no revenue from any customer of any segment exceeds 10% of the Company's consolidated revenue.

Funding sources represent average balances and deposits generated by Information Services and Banking Services and there is no allocation methodology used. Banking Services interest income is determined by actual interest income on loans minus actual interest expense paid on deposits plus/minus an allocation for interest income or expense dependent on the remaining available liquidity of the segment. Information Services interest income is determined by multiplying available liquidity by actual yields on short-term investments and investment securities.

Any difference between total segment interest income and overall total Company interest income is included in Corporate, Eliminations, and Other.

Summarized information about the Company's operations in each industry segment is as follows:

(In thousands)	Information Services		Banking Services		Corporate, Eliminations and Other		Total
Three Months Ended June 30, 2024:							
Fee income	\$	32,063	\$	665	\$	332	\$ 33,060
Interest income		9,752		14,680		( 3,190 )	21,242
Interest expense		314		8,573		( 3,575 )	5,312
Intersegment income (expense)		( 1,016 )		1,016		—	—
Pre-tax income		3,121		1,960		716	5,797
Goodwill		17,173		136		—	17,309
Other intangible assets, net		2,972		—		—	2,972
Total assets		1,420,254		1,130,548		( 268,206 )	2,282,596
Average funding sources	\$	1,256,457	\$	785,893	\$	—	\$ 2,042,350
Three Months Ended June 30, 2023:							
Fee income	\$	31,360	\$	626	\$	87	\$ 32,073
Interest income		9,463		13,829		( 3,584 )	19,708
Interest expense		69		7,340		( 3,715 )	3,694
Intersegment income (expense)		( 1,062 )		1,062		—	—
Pre-tax income		5,873		2,776		219	8,868
Goodwill		17,173		136		—	17,309
Other intangible assets, net		3,735		—		—	3,735
Total assets		1,602,932		1,150,293		( 282,429 )	2,470,796
Average funding sources	\$	1,327,251	\$	784,068	\$	—	\$ 2,111,319
Six Months Ended June 30, 2024:							
Fee income	\$	64,384	\$	1,305	\$	668	\$ 66,357
Interest income		19,943		28,564		( 5,611 )	42,896
Interest expense		912		16,463		( 6,885 )	10,490
Intersegment income (expense)		( 2,054 )		2,054		—	—
Pre-tax income		9,085		3,778		1,941	14,804
Goodwill		17,173		136		—	17,309
Other intangible assets, net		2,972		—		—	2,972
Total assets		1,420,254		1,130,548		( 268,206 )	2,282,596
Average funding sources	\$	1,286,036	\$	792,816	\$	—	\$ 2,078,852
Six Months Ended June 30, 2023:							
Fee income	\$	62,437	\$	1,337	\$	406	\$ 64,180
Interest income		18,910		27,006		( 6,066 )	39,850
Interest expense		167		12,773		( 6,002 )	6,938
Intersegment income (expense)		( 1,976 )		1,976		—	—
Pre-tax income		10,864		6,635		342	17,841
Goodwill		17,173		136		—	17,309
Other intangible assets, net		3,735		—		—	3,735
Total assets		1,602,932		1,150,293		( 282,429 )	2,470,796
Average funding sources	\$	1,342,061	\$	833,207	\$	—	\$ 2,175,268

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# Note 6 – Loans by Type

A summary of loans is as follows:

<i>(In thousands)</i>	June 30, 2024	December 31, 2023
Commercial and industrial	\$ 548,625	\$ 498,502
Real estate:		
Commercial:		
Mortgage	121,701	118,371
Construction	9,488	8,233
Faith-based:		
Mortgage	371,313	381,368
Construction	10,861	7,790
Other	3	54
Total loans	\$ 1,061,991	\$ 1,014,318

The following table presents the aging of loans past due by category at June 30, 2024 and December 31, 2023:

<i>(In thousands)</i>	Performing			Nonperforming			Total Loans
	Current	30-59 Days	60-89 Days	90 Days and Over	Non- accrual		
<i>June 30, 2024</i>							
Commercial and industrial	\$ 548,625	\$ —	\$ —	\$ —	\$ —	\$ —	548,625
Real estate							
Commercial:							
Mortgage	121,701	—	—	—	—	—	121,701
Construction	9,488	—	—	—	—	—	9,488
Faith-based:							
Mortgage	371,313	—	—	—	—	—	371,313
Construction	10,861	—	—	—	—	—	10,861
Other	3	—	—	—	—	—	3
Total	\$ 1,061,991	\$ —	\$ —	\$ —	\$ —	\$ —	1,061,991
<i>December 31, 2023</i>							
Commercial and industrial	\$ 498,502	\$ —	\$ —	\$ —	\$ —	\$ —	498,502
Real estate							
Commercial:							
Mortgage	118,371	—	—	—	—	—	118,371
Construction	8,233	—	—	—	—	—	8,233
Faith-based:							
Mortgage	381,368	—	—	—	—	—	381,368
Construction	7,790	—	—	—	—	—	7,790
Other	54	—	—	—	—	—	54
Total	\$ 1,014,318	\$ —	\$ —	\$ —	\$ —	\$ —	1,014,318

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The following table presents the credit exposure of the loan portfolio by internally assigned credit grade as of June 30, 2024 and December 31, 2023:

<i>(In thousands)</i>	Loans Subject to Normal Monitoring <sup>1</sup>	Performing Loans Subject to Special Monitoring <sup>2</sup>	Nonperforming Loans Subject to Special Monitoring <sup>2</sup>	Total Loans
<i>June 30, 2024</i>				
Commercial and industrial	\$ 548,625	\$ —	\$ —	\$ 548,625
Real estate				
Commercial:				
Mortgage	119,223	2,478	—	121,701
Construction	9,488	—	—	9,488
Faith-based:				
Mortgage	356,353	14,960	—	371,313
Construction	10,861	—	—	10,861
Other	3	—	—	3
Total	\$ 1,044,553	\$ 17,438	\$ —	\$ 1,061,991
<i>December 31, 2023</i>				
Commercial and industrial	\$ 498,502	\$ —	\$ —	\$ 498,502
Real estate				
Commercial:				
Mortgage	118,371	—	—	118,371
Construction	8,233	—	—	8,233
Faith-based:				
Mortgage	375,865	5,503	—	381,368
Construction	7,790	—	—	7,790
Other	54	—	—	54
Total	\$ 1,008,815	\$ 5,503	\$ —	\$ 1,014,318

<sup>1</sup> Loans subject to normal monitoring involve borrowers of acceptable-to-strong credit quality and risk, who have the apparent ability to satisfy their loan obligations.

<sup>2</sup> Loans subject to special monitoring possess some credit deficiency or potential weakness which requires a high level of management attention.

Loan modifications to borrowers experiencing financial difficulty may be in the form of principal forgiveness, an interest rate reduction, an other-than-insignificant payment delay, a term extension, or a combination thereof, among other things. There were no loans modified during the six-month period ended June 30, 2024. The following table shows the amortized

cost of loans that were both experiencing financial difficulty and modified during the six-month period ended June 30, 2023, segregated by category and type of modification.

<i>(In thousands)</i>	Payment Delay		Term Extension		Interest Rate Reduction		Combination Term Extension and Interest Rate Reduction	Percentage of Total Loans Held for Investment	
Commercial and industrial	\$	—	\$	10,952	\$	—	\$	—	2.05 %
Total	\$	—	\$	10,952	\$	—	\$	—	1.04 %

There were two loans modified during the six-month period ended June 30, 2023. The terms were extended by periods of two and three years and there was not an interest rate reduction associated with the modifications.

The following table shows the payment status of loans that have been modified to borrowers experiencing financial difficulty in the last twelve months:

<i>(In thousands)</i>	Current		30-59 Days Past Due		60-89 Days Past Due		90 Days or More Past Due		Total Past Due
Commercial and industrial	\$	11,333	\$	—	\$	—	\$	—	—
Total	\$	11,333	\$	—	\$	—	\$	—	—

At June 30, 2024, the Company had no commitments to lend additional funds to borrowers experiencing financial difficulty for which the Company modified the terms of the loans in the form of principal forgiveness, an interest rate reduction, an other-than-insignificant payment delay, or a term extension during the current period.

There were no modified loans that had a payment default during the six-month periods ended June 30, 2024 or 2023 and that had been modified due to the borrower experiencing financial difficulty within the 12 previous months preceding the default.

Upon the Company's determination that a modified loan has subsequently been deemed uncollectible, the loan is written off. There were no loans written off during the six-month periods ended June 30, 2024 or 2023.

The Company had no loans evaluated for expected credit losses on an individual basis as of June 30, 2024, and December 31, 2023, respectively.

There were no foreclosed loans recorded as other real estate owned as of June 30, 2024 or December 31, 2023.

A summary of the activity in the allowance for credit losses ("ACL") by category for the six-month periods ended June 30, 2024 and year-ended December 31, 2023 is as follows:

<i>(In thousands)</i>	C&I		CRE		Faith-based CRE		Construction		Total
Balance at December 31, 2022	\$	5,978	\$	940	\$	6,437	\$	184	\$ 13,539
(Release of) provision for credit losses		( 566 )		153		39		( 76 )	( 450 )
Balance at December 31, 2023	\$	5,412	\$	1,093	\$	6,476	\$	108	\$ 13,089
Provision for (release of) credit losses <sup>(1)</sup>		502		23		( 11 )		31	545
Balance at June 30, 2024	\$	5,914	\$	1,116	\$	6,465	\$	139	\$ 13,634

(1) For the six-month period ended June 30, 2024 and year-ended December 31, 2023, there was a release of credit losses of \$50,000 and \$100,000, respectively, for unfunded commitments.

#### Note 7 – Commitments and Contingencies

In the normal course of business, the Company is party to activities that contain credit, market and operational risks that are not reflected in whole or in part in the Company's consolidated financial statements. As more fully described in the Form

10-K, such activities include traditional off-balance sheet credit-related financial instruments. These financial instruments include commitments to extend credit, commercial letters of credit and standby letters of credit. The Company's maximum potential exposure to credit loss in the event of nonperformance by the other party to the financial instrument for commitments to extend credit, commercial letters of credit and standby letters of credit is represented by the contractual amounts of those instruments. Commitments to extend credit and letters of credit are subject to the same underwriting standards as those financial instruments included on the consolidated balance sheets. An allowance for unfunded commitments of \$ 82,000 and \$ 132,000 had been recorded at June 30, 2024 and December 31, 2023, respectively.

At June 30, 2024, the balances of unfunded commitments, standby and commercial letters of credit were \$ 251.4 million, \$ 13.7 million, and \$ 729,000 , respectively. Since some of the financial instruments may expire without being drawn upon, the total amounts do not necessarily represent future cash requirements.

On March 19, 2024, the Company filed a claim against Rubicon Technologies, Inc. ("Rubicon") for failed reimbursement of invoices that were processed and paid by the Company on Rubicon's behalf and unpaid fees for Company services that are due for invoice management services and bill pay services, together with interest and penalties related to the foregoing amounts. The Company has a receivable at June 30, 2024 for \$ 8.1 million related to these amounts on the Company's consolidated balance sheet. T he Company evaluated the receivable from a credit loss perspective, and, based on this evaluation, recorded a reserve of \$1.3 million through other operating expense on the consolidated statements of income for the three and six-months ended June 30, 2024. While the Company strongly believes in the merits of its claim against Rubicon, it is reasonably possible that a change in the reserve related to this receivable could occur in the near term depending on the creditworthiness of Rubicon.

On April 22, 2024, Rubicon filed a counterclaim against the Company for failure to perform its obligations under the Master Services Agreement between the Company and Rubicon. The Company believes these claims to be without merit and intends to vigorously defend itself against such claims.

#### Note 8 – Stock-Based Compensation

On February 16, 2023, the Board of Directors adopted the 2023 Omnibus Stock and Performance Compensation Plan (the "2023 Omnibus Plan"), which was approved by the Company's shareholders on April 18, 2023. The 2023 Omnibus Plan permits the issuance of up to 1.0 million shares of the Company's common stock in the form of stock options, SARs, restricted stock, restricted stock units, phantom stock, and performance awards. During the six-month period ended June 30, 2024, 54,462 time-based restricted shares and 51,261 performance-based restricted shares were granted under the 2023 Omnibus Plan. Stock-based compensation expense was \$ 474,000 and \$ 1.7 million for the three and six-month periods ended June 30, 2024, respectively, and \$ 909,000 and \$ 2.9 million for the three and six-month periods ended June 30, 2023, respectively.

#### Restricted Stock

Restricted shares granted to Company employees are amortized to expense over a three-year cliff vesting period, or until vesting occurs upon retirement. Restricted shares granted to members of the Board of Directors are amortized to expense over a one-year service period, with the exception of those shares granted in lieu of cash payments for retainer fees which are expensed in the period earned.

As of June 30, 2024, the total unrecognized compensation expense related to non-vested restricted shares was \$ 2.6 million, and the related weighted-average period over which it is expected to be recognized is approximately 0.72 years.

Following is a summary of the activity of the Company's restricted stock for the six-month period ended June 30, 2024, with total shares and weighted-average fair value:

	Six Months Ended June 30, 2024	
	Shares	Fair Value
Balance at December 31, 2023	237,780	\$ 42.17
Granted	54,462	44.08
Vested	( 39,764 )	32.78
Forfeitures	( 710 )	43.70
Balance at June 30, 2024	251,768	\$ 42.87

#### Performance-Based Restricted Stock

The Company has granted three-year performance-based restricted stock ("PBRS") awards which are contingent upon the Company's achievement of pre-established financial goals over a three-year cliff vest period. The number of shares issued ranges from 0 % to 150 % of the target opportunity based on the actual achievement of financial goals for the three-year performance period.

Following is a summary of the activity of the PBRS for the six-month period ended June 30, 2024, based on 100% of target value:

	Six Months Ended June 30, 2024	
	Shares	Fair Value
Balance at December 31, 2023	159,073	\$ 42.74
Granted	51,261	44.29
Vested	( 50,840 )	40.74
Forfeitures	( 1,066 )	43.70
Balance at June 30, 2024	158,428	\$ 43.87

The PBRS that vested during the six-month period ended June 30, 2024 were based on the Company's achievement of 135.4 % of target financial goals for the 2021-2023 performance period, resulting in the issuance of 68,834 shares of common stock. The outstanding PBRS at June 30, 2024 will vest at scheduled vesting dates and the actual number of shares of common stock issued will range from 0 % to 150 % of the target opportunity based on the actual achievement of financial goals for the respective three-year performance period.

#### SARs

There were no SARs granted and no expense recognized during the six-month period ended June 30, 2024. Following is a summary of the activity of the Company's SARs program for the six-month period ended June 30, 2024:

	Shares	Weighted-Average Exercise Price	Average Remaining Contractual Term Years	Aggregate Intrinsic Value (In thousands)
Balance at December 31, 2023	30,409	\$ 46.70	0.08	\$ —
Forfeited	( 30,409 )	46.70	0.00	—
Exercisable at June 30, 2024	—	\$ —	0.00	\$ —

#### Note 9 – Defined Pension Plans

The Company has a noncontributory defined-benefit pension plan (the "Plan"), which covers eligible employees. Effective December 31, 2016, the Plan was closed to all new participants. Additionally, the Plan's benefits were frozen for all remaining participants as of February 28, 2021.

On July 16, 2024, the Company approved an Amendment providing for the termination of the Plan. The Company expects to record one-time termination expenses of approximately \$5.0 million through operating expense related to the termination of the Plan. The expense related to the termination is expected to be incurred during the fourth quarter of 2024 and first



quarter of 2025 as the Plan's liabilities are settled via lump sum payments or annuity purchases. The following table represents the components of net periodic pension cost:

<i>(In thousands)</i>	Estimated 2024	Actual 2023
Interest cost on projected benefit obligations	\$ 4,291	\$ 4,314
Expected return on plan assets	( 3,512 )	( 3,735 )
Net amortization	—	154
Net periodic pension cost	\$ 779	\$ 733

The Company recorded net periodic pension cost of \$ 194,000 and \$ 389,000 for the three and six-month periods ended June 30, 2024, and \$ 99,000 and \$ 199,000 for the three and six-month periods June 30, 2023. The Company made no contributions to the Plan during the six-month period ended June 30, 2024 and does not expect to make any contributions for the remainder of 2024.

In addition to the above Plan, the Company has an unfunded supplemental executive retirement plan (the "SERP"). There are no current employees earning benefits and therefore, there is no service cost associated with the SERP. The following table represents the components of the net periodic cost for the SERP:

<i>(In thousands)</i>	Estimated 2024	Actual 2023
Interest cost on projected benefit obligation	\$ 451	\$ 472
Net periodic pension cost	\$ 451	\$ 472

SERP cost recorded to expense was \$ 112,000 and \$ 225,000 for the three and six-month periods ended June 30, 2024, and was \$ 118,000 and \$ 236,000 for the three and six-month periods ended June 30, 2023 .

#### Note 10 – Income Taxes

The effective tax rate was 22.6 % and 21.4 % for the three and six-month periods ended June 30, 2024, and was 19.5 % and 20.1 % for the three and six-month periods ended June 30, 2023, respectively. The effective tax rate for all periods differs from the statutory rate of 21% primarily due to state related taxes partially offset by the tax-exempt interest received from municipal bonds and bank-owned life insurance, among other factors.

#### Note 11 – Investment in Securities

Investment securities available-for-sale are recorded at fair value on a recurring basis. The Company's investment securities available-for-sale are measured at fair value using Level 2 valuations. The market evaluation utilizes several sources which include "observable inputs" rather than "significant unobservable inputs" and therefore fall into the Level 2 category. The amortized cost, gross unrealized gains, gross unrealized losses and fair value of investment securities are summarized as follows:

<i>(In thousands)</i>	June 30, 2024			
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
State and political subdivisions	\$ 220,717	\$ 8	\$ ( 18,427 )	\$ 202,298
Mortgage-backed securities issued or guaranteed by U.S. government agencies or sponsored enterprises	212,270	—	( 32,447 )	179,823
Corporate bonds	118,986	17	( 9,065 )	109,938
Treasury securities	9,992	—	( 19 )	9,973
Asset backed securities issued or guaranteed by U.S. government agencies or sponsored enterprises	39,310	—	( 540 )	38,770
Total	\$ 601,275	\$ 25	\$ ( 60,498 )	\$ 540,802

	December 31, 2023			
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
<i>(In thousands)</i>				
State and political subdivisions	\$ 235,297	\$ 4	\$ ( 16,266 )	\$ 219,035
Mortgage-backed securities issued or guaranteed by U.S. government agencies or sponsored enterprises	188,307	—	( 30,508 )	157,799
Corporate bonds	111,109	—	( 8,769 )	102,340
Treasury securities	109,836	—	( 1,115 )	108,721
Asset backed securities issued or guaranteed by U.S. government agencies or sponsored enterprises	40,368	—	( 1,146 )	39,222
Total	\$ 684,917	\$ 4	\$ ( 57,804 )	\$ 627,117

The fair values of securities with unrealized losses are as follows:

	June 30, 2024					
	Less than 12 months		12 months or more		Total	
	Estimated Fair Value	Unrealized Losses	Estimated Fair Value	Unrealized Losses	Estimated Fair Value	Unrealized Losses
<i>(In thousands)</i>						
State and political subdivisions	\$ 4,040	\$ 13	\$ 189,863	\$ 18,414	\$ 193,903	\$ 18,427
Mortgage-backed securities issued or guaranteed by U.S. government agencies or sponsored enterprises	36,831	186	142,992	32,261	179,823	32,447
Corporate bonds	17,653	350	82,255	8,715	99,908	9,065
Treasury securities	—	—	9,973	19	9,973	19
Asset backed securities issued or guaranteed by U.S. government agencies or sponsored enterprises	—	—	38,770	540	38,770	540
Total	\$ 58,524	\$ 549	\$ 463,853	\$ 59,949	\$ 522,377	\$ 60,498

	December 31, 2023					
	Less than 12 months		12 months or more		Total	
	Estimated Fair Value	Unrealized Losses	Estimated Fair Value	Unrealized Losses	Estimated Fair Value	Unrealized Losses
<i>(In thousands)</i>						
State and political subdivisions	\$ 63,198	\$ 220	\$ 152,854	\$ 16,046	\$ 216,052	\$ 16,266
Mortgage-backed securities issued or guaranteed by U.S. government agencies or sponsored enterprises	—	—	157,799	30,508	157,799	30,508
Corporate bonds	19,545	455	82,795	8,314	102,340	8,769
Treasury securities	—	—	108,721	1,115	108,721	1,115
Asset backed securities issued or guaranteed by U.S. government agencies or sponsored enterprises	—	—	39,222	1,146	39,222	1,146
Total	\$ 82,743	\$ 675	\$ 541,391	\$ 57,129	\$ 624,134	\$ 57,804

There were 260 securities, or 95.6 % ( 244 of which for greater than 12 months), in an unrealized loss position as of June 30, 2024. The unrealized losses at June 30, 2024 were primarily attributable to changes in market interest rates after the

securities were purchased. The Company does not currently intend to sell, and based on current conditions, the Company does not believe it will be required to sell these available-for-sale securities before the recovery of the amortized cost basis, which may be the maturity dates of the securities. Therefore, the unrealized losses are recorded in accumulated other comprehensive loss. There were 275 securities, or 98.9 % ( 210 of which for greater than 12 months), in an unrealized loss position as of December 31, 2023. At June 30, 2024 and December 31, 2023, the Company had not recorded an allowance for credit losses on securities.

The amortized cost and fair value of investment securities by contractual maturity are shown in the following table. Expected maturities may differ from contractual maturities because borrowers have the right to prepay obligations with or without prepayment penalties.

(In thousands)	June 30, 2024	
	Amortized Cost	Fair Value
Due in 1 year or less	\$ 44,510	\$ 44,388
Due after 1 year through 5 years	132,633	130,220
Due after 5 years through 10 years	205,504	179,664
Due after 10 years	218,628	186,530
Total	\$ 601,275	\$ 540,802

Proceeds from sales of investment securities classified as available-for-sale were \$ 25.0 million for both the three and six-month periods ended June 30, 2024, and were \$ 49.6 million and \$ 111.1 million for the three and six-month periods ended June 30, 2023, respectively. Gross realized losses were \$ 13,000 for both the three and six-month periods ended June 30, 2024 and \$ 199,000 and \$ 347,000 for the three and six-month periods ended June 30, 2023, respectively. There were no gross realized gains for the three and six-month periods ended June 30, 2024, and were \$ 0 and \$ 187,000 for the three and six-month periods ended June 30, 2023, respectively. There were no securities pledged to secure public deposits or for other purposes at June 30, 2024 .

#### Note 12 – Fair Value of Financial Instruments

Following is a summary of the carrying amounts and fair values of the Company's financial instruments:

(In thousands)	June 30, 2024		December 31, 2023	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Balance sheet assets:				
Cash and cash equivalents	\$ 223,727	\$ 223,727	\$ 372,468	\$ 372,468
Investment securities	540,802	540,802	627,117	627,117
Loans, net	1,048,357	1,017,800	1,001,229	962,223
Accrued interest receivable	8,825	8,825	8,450	8,450
Total	\$ 1,821,711	\$ 1,791,154	\$ 2,009,264	\$ 1,970,258
Balance sheet liabilities:				
Deposits	\$ 1,012,346	\$ 1,012,346	\$ 1,140,814	\$ 1,140,814
Accounts and drafts payable	996,832	996,832	1,071,369	1,071,369
Accrued interest payable	554	554	635	635
Total	\$ 2,009,732	\$ 2,009,732	\$ 2,212,818	\$ 2,212,818

The following methods and assumptions were used to estimate the fair value of each class of financial instruments for which it is practicable to estimate that value:

*Cash and Cash Equivalents* - The carrying amount approximates fair value.

*Investment in Securities* - The fair value is measured on a recurring basis using Level 2 valuations. Refer to Note 11, "Investment in Securities," for fair value and unrealized gains and losses by investment type.

**Loans** - The fair value is estimated using present values of future cash flows discounted at risk-adjusted interest rates for each loan category designated by management and is therefore a Level 3 valuation. Management believes that the risk factor embedded in the interest rates along with the allowance for credit losses result in a fair valuation.

**Accrued Interest Receivable** - The carrying amount approximates fair value.

**Deposits** - The fair value of demand deposits, savings deposits and certain money market deposits is the amount payable on demand at the reporting date. The fair value of fixed-maturity certificates of deposit is estimated using the rates currently offered for deposits of similar remaining maturities and therefore, is a Level 2 valuation. The fair value estimates above do not include the benefit that results from the low-cost funding provided by the deposit liabilities compared to the cost of borrowing funds in the market or the benefit derived from the customer relationship inherent in existing deposits.

**Accounts and Drafts Payable** - The carrying amount approximates fair value.

**Accrued Interest Payable** - The carrying amount approximates fair value.

#### Note 13 – Revenue from Contracts with Customers

Revenue is recognized as the obligation to the customer is satisfied. The following is detail of the Company's revenue from contracts with clients.

**Processing fees** – The Company earns fees on a per-item or monthly basis for the invoice processing services rendered on behalf of customers. Per-item fees are recognized at the point in time when the performance obligation is satisfied. Monthly fees are earned over the course of a month, representing the period over which the performance obligation is satisfied. The contracts have no significant impact of variable consideration and no significant financing components.

**Financial fees** – The Company earns fees on a transaction level basis for invoice payment services when making customer payments. Fees are recognized at the point in time when the payment transactions are made, which is when the performance obligation is satisfied. The contracts have no significant impact of variable consideration and no significant financing components.

**Bank service fees** – Revenue from service fees consists of service charges and fees on deposit accounts under depository agreements with customers to provide access to deposited funds. Service charges on deposit accounts are transaction-based fees that are recognized at the point in time when the performance obligation is satisfied. The contracts have no significant impact of variable consideration and no significant financing components.

The following table presents non-interest income, segregated by revenue streams in-scope and out-of-scope for the periods ended June 30, 2024 and 2023.

(In thousands)	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Fee revenue and other income				
<i>In-scope of FASB ASC 606</i>				
Processing fees	\$ 21,103	\$ 19,386	42,356	\$ 38,899
Financial fees	10,628	11,662	21,405	22,921
Information services payment and processing revenue	31,731	31,048	63,761	61,820
Bank service fees	319	253	600	517
Fee revenue (in-scope of FASB ASC 606)	32,050	31,301	64,361	62,337
Other income (out-of-scope of FASB ASC 606)	1,010	772	1,996	1,843
Total fee revenue and other income	\$ 33,060	\$ 32,073	\$ 66,357	\$ 64,180

#### Note 14 – Leases

The Company leases certain premises under operating leases. As of June 30, 2024, the Company had lease liabilities of \$ 8.0 million and right-of-use assets of \$ 7.6 million. Lease liabilities and right-of-use assets are reflected in other liabilities and other assets, respectively. Presented within occupancy expense on the Consolidated Statements of Income for the three

and six-month periods ended June 30, 2024, operating lease cost was \$ 333,000 and \$ 674,000 , short-term lease cost was \$ 93,000 and \$ 174,000 , and there was no variable lease cost. At June 30, 2024, the weighted-average remaining lease term for the operating leases was 6.9 years and the weighted-average discount rate used in the measurement of operating lease liabilities was 3.56 %. Certain of the Company's leases contain options to renew the lease; however, these renewal options are not included in the calculation of the lease liabilities as they are not reasonably certain to be exercised. See the Company's 2023 Form 10-K for information regarding these commitments.

A maturity analysis of operating lease liabilities and undiscounted cash flows as of June 30, 2024 is as follows:

<i>(In thousands)</i>		June 30, 2024
Lease payments due		
Less than 1 year	\$	1,333
1-2 years		1,358
2-3 years		1,343
3-4 years		1,370
4-5 years		1,259
Over 5 years		2,272
Total undiscounted cash flows		8,935
Discount on cash flows		972
Total lease liability	\$	7,963

There were no sale and leaseback transactions, leveraged leases, or lease transactions with related parties during the six-month period ended June 30, 2024.

#### Note 15 – Subsequent Events

In accordance with FASB ASC 855, *Subsequent Events*, the Company has evaluated subsequent events after the consolidated balance sheet date of June 30, 2024. There were no events identified that would require additional disclosures to prevent the Company's unaudited consolidated financial statements from being misleading.

## ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

### Overview

Cass Information Systems, Inc. ("Cass" or the "Company") provides payment and information processing services to large manufacturing, distribution, and retail enterprises across the United States. The Company's services include freight invoice rating, payment processing, auditing, and the generation of accounting and transportation information. Cass also processes and pays facility-related invoices, which include electricity and gas as well as waste and telecommunications expenses, and is a provider of telecom expense management solutions. Cass solutions include integrated payments, a B2B payment platform for clients that require an agile fintech partner. Additionally, the Company offers a church management software solution and an on-line platform to provide generosity services for faith-based and non-profit organizations. The Company's bank subsidiary, Cass Commercial Bank (the "Bank"), supports the Company's payment operations. The Bank also provides banking services to its target markets, which include privately held businesses in the St. Louis metropolitan area and restaurant franchises and faith-based ministries within the United States.

In general, Cass is compensated for its information processing services through service fees, transactional level payment services, and investment of account balances generated during the payment process. Both the number of transactions processed and the dollar volume processed are therefore key metrics followed by management. The Bank earns most of its revenue from net interest income.

Various factors will influence the Company's revenue and profitability, such as changes in the general level of interest rates, which has a significant effect on net interest income; industry-wide factors, such as the willingness of large corporations to outsource key business functions, the general level of transportation costs, deregulation of energy costs, and consolidation of telecommunication providers; and economic factors that include the general level of economic activity, the ability to hire and retain qualified staff, and the growth and quality of the Bank's loan portfolio. For a more detailed discussion of the Company's revenue drivers and factors that impact the Company's results of operation and financial condition generally, see Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations" in the Company's 2023 Form 10-K.

### Recent Industry Developments

The transportation industry continues to experience a decline in overall freight rates caused by an ongoing freight recession. The freight recession adversely affects the number of freight transactions and dollar amount of invoices processed. Partially as a result, the Company's transportation invoice and dollar volumes declined 3.5% and 9.8%, respectively during the first six months of 2024 as compared to the same period in 2023. Transportation dollar volumes are key to the Company's revenue as higher volumes generally lead to an increase in payment float, which generates interest income, as well as an increase in payments in advance of funding, which generates financial fees.

As a result of rising inflation, the Federal Reserve has increased the Federal Funds rate. The increase in the Federal Funds rate has contributed to a slight increase in the Company's net interest margin. Inflation has also had the impact of increasing operating expenses, such as compensation expense.

### 2024 Items of Note

Net interest income for the second quarter of 2024 decreased \$84,000, or 0.5%, as compared to the same period in 2023. The decrease in net interest income was attributable to a decline in average interest-earning assets of \$52.3 million, or 2.6%. The Company had fewer funds to invest due to the loss of approximately \$100.0 million of balances in February 2024 as a result of a cyber attack experienced by large client in the Company's CassPay division. CassPay offers solutions such as integrated payments, a B2B payment platform for clients. The Company does not expect these payment volumes and related balances from this client to return.

Despite the decline in average accounts and drafts payable during the quarter, the Company's liquidity position and balance sheet remains strong. The Company maintained average short-term investments of \$265.3 million during the second quarter of 2024. In addition, all of the Company's investment securities are classified as available-for-sale and there were no outstanding borrowings at June 30, 2024.

Included in other operating expenses for the second quarter of 2024 are \$2.1 million of reserves and other losses on outstanding receivables in addition to \$1.3 million related to estimated late fees to be incurred on facility transactions. See Note 7, "Commitments and Contingencies" for further information on the reserves and other losses. The late fees were

mostly driven by a check processing delay with our third-party vendor, the same client that incurred a cyber attack, as described above.

Also, on July 16, 2024, the Company approved an Amendment providing for the termination of its noncontributory defined-benefit pension plan. The Company expects to record one-time termination expenses of approximately \$5.0 million through operating expense related to the plan termination. The expense related to the termination is expected to be incurred during the fourth quarter of 2024 and first quarter of 2025 as the plan liabilities are settled. The successful termination of the plan is expected to reduce run rate operating expense by approximately \$1.0 million on an annual basis.

## Results of Operations

The following paragraphs more fully discuss the results of operations and changes in financial condition for the three-month period ended June 30, 2024 ("second quarter of 2024") compared to the three-month period ended June 30, 2023 ("second quarter of 2023") and the six-month period ended June 30, 2024 ("first half of 2024") compared to the six-month period ended June 30, 2023 ("first half of 2023"). The following discussion and analysis should be read in conjunction with the unaudited consolidated financial statements and related notes and with the statistical information and financial data appearing in this report, as well as in the Company's 2023 Form 10-K. Results of operations for the three months ended June 30, 2024 are not necessarily indicative of the results to be attained for any other period.

## Summary of Results

The following table summarizes the Company's operating results:

(In thousands except per share data)	Second Quarter of			First Half of		
	2024	2023	% Change	2024	2023	% Change
Processing fees	\$ 21,103	\$ 19,386	8.9 %	\$ 42,356	\$ 38,899	8.9 %
Financial fees	10,628	11,662	(8.9)%	21,405	22,921	(6.6)%
Net interest income	15,930	16,014	(0.5)%	32,406	32,912	(1.5)%
Provision for (release of) credit loss	400	(120)	(433.3)%	495	(460)	(207.6)%
Other	1,329	1,025	29.7 %	2,596	2,360	10.0 %
Total net revenue	48,590	48,207	0.8 %	98,268	97,552	0.7 %
Operating expense	42,793	39,339	8.8 %	83,464	79,711	4.7 %
Income before income tax expense	5,797	8,868	(34.6)%	14,804	17,841	(17.0)%
Income tax expense	1,313	1,730	(24.1)%	3,168	3,586	(11.7)%
Net income	\$ 4,484	\$ 7,138	(37.2)%	\$ 11,636	\$ 14,255	(18.4)%
Diluted earnings per share	\$ 0.32	\$ 0.52	(38.5)%	\$ 0.84	\$ 1.03	(18.4)%
Return on average assets	0.78 %	1.21 %	—	1.00 %	1.18 %	—
Return on average equity	8.01 %	13.37 %	—	10.36 %	13.56 %	—

### Second quarter of 2024 compared to second quarter of 2023:

The Company recorded net revenue of \$48.6 million during the three-month period ended June 30, 2024, up 0.8% from the three-month period ended June 30, 2023, primarily driven by higher processing fees. Operating expense increased 8.8% primarily driven by \$2.1 million of reserves and other losses on outstanding receivables in addition to \$1.3 million related to estimated late fees to be incurred on facility transactions. Net income was \$4.5 million and diluted EPS was \$0.32 per share, decreases of 37.2% and 38.5% from the three-month period ended June 30, 2023, respectively.

The Company posted a 0.78% return on average assets and 8.01% return on average equity.

### First half of 2024 compared to first half of 2023:

The Company recorded net revenue of \$98.3 million during the first half of 2024, up 0.7% from the first half of June 30, 2023, primarily driven by higher processing fees. Operating expense increased 4.7% primarily driven by the same factors

as described above comparing the second quarter of 2024 to the same period in 2023. Net income was \$11.6 million and diluted EPS was \$0.84 per share, decreases of 18.4% and 18.4% from the first half of June 30, 2023, respectively.

The Company posted a 1.00% return on average assets and 10.36% return on average equity.

#### Fee Revenue and Other Income

The Company's fee revenue is derived mainly from transportation and facility processing and financial fees. As the Company provides its processing and payment services, it is compensated by service fees which are typically calculated on a per-item basis, discounts received for services provided to carriers and by the accounts and drafts payable balances generated in the payment process which can be used to generate interest income. Processing volumes, average payments in advance of funding, and fee revenue were as follows:

(In thousands)	Second Quarter of			First Half of		
	2024	2023	% Change	2024	2023	% Change
Transportation invoice volume	8,879	9,193	(3.4)%	17,649	18,291	(3.5)%
Transportation invoice dollar volume	\$ 9,081,343	\$ 9,711,801	(6.5)%	\$ 18,020,989	\$ 19,980,252	(9.8)%
Facility-related transaction volume <sup>1</sup>	4,337	3,467	25.1 %	8,601	6,935	24.0 %
Facility-related dollar volume <sup>1</sup>	\$ 5,039,283	\$ 4,578,490	10.1 %	\$ 10,368,848	\$ 9,891,875	4.8 %
Average payments in advance of funding	\$ 213,185	\$ 254,869	(16.4)%	\$ 203,761	\$ 247,918	(17.8)%
Processing fees	\$ 21,103	\$ 19,386	8.9 %	\$ 42,356	\$ 38,899	8.9 %
Financial fees	\$ 10,628	\$ 11,662	(8.9)%	\$ 21,405	\$ 22,921	(6.6)%
Other fees	\$ 1,329	\$ 1,025	29.7 %	\$ 2,596	\$ 2,360	10.0 %

1. Includes energy, telecom and environmental.

#### Second quarter of 2024 compared to second quarter of 2023:

Processing fee revenue increased \$1.7 million, or 8.9%, primarily attributable to an increase in facility-related invoice volumes of 25.1%. The Company has experienced recent success in adding facility clients with high transaction volumes. Transportation invoice volumes decreased 3.4% over the same period. The decline in transportation volumes is largely due to the ongoing freight recession.

Financial fee revenue decreased \$1.0 million, or 8.9%, primarily attributable to a decline in transportation dollar volumes of 6.5% in addition to changes in the manner certain vendors receive payments.

#### First half of 2024 compared to first half of 2023:

Processing fee revenue increased \$3.5 million, or 8.9%, primarily attributable to an increase in facility-related invoice volumes of 24.0%. Transportation invoice volumes decreased 3.5% over the same period.

Financial fee revenue decreased \$1.5 million, or 6.6%, primarily attributable to a decline in transportation dollar volumes of 9.8% in addition to changes in the manner certain vendors receive payments.



## Net Interest Income

Net interest income is the difference between interest earned on loans, investments, and other earning assets and interest expense on deposits and other interest-bearing liabilities. Net interest income is a significant source of the Company's revenues. The following table summarizes the changes in tax-equivalent net interest income and related factors:

(In thousands)	Second Quarter of			First Half of		
	2024	2023	% Change	2024	2023	% Change
Average earning assets	\$ 1,958,427	\$ 2,010,771	(2.6) %	\$ 2,010,833	\$ 2,086,333	(3.6) %
Average interest-bearing liabilities	638,339	512,519	24.5 %	634,986	554,494	14.5 %
Net interest income*	16,168	16,277	(0.7) %	32,888	33,496	(1.8) %
Net interest margin*	3.32 %	3.25 %		3.29 %	3.24 %	
Yield on earning assets*	4.41 %	3.98 %		4.34 %	3.91 %	
Cost of interest-bearing liabilities	3.35 %	2.89 %		3.32 %	2.52 %	

\*Presented on a tax-equivalent basis assuming a tax rate of 21% for both 2024 and 2023.

### Second quarter of 2024 compared to second quarter of 2023:

The decrease in net interest income is primarily due to the decrease in average earning assets of \$52.3 million, or 2.6%, partially offset by an increase in the net interest margin to 3.32%, as compared to 3.25% in the same quarter last year. The yield on interest-earning assets increased 43 basis points from 3.98% to 4.41% while the cost of interest-bearing liabilities increased 46 basis points from 2.89% to 3.35%.

Average loans decreased \$36.4 million, or 3.4%, to \$1.04 billion. The decrease in average loans was primarily due to the Company opting to be more selective in booking new loans as a result of a decline in average deposits. The average yield on loans increased 44 basis points to 5.26%.

Average investment securities decreased \$96.0 million, or 12.8%, to \$653.7 million. The Company has not offset maturities and sales of investment securities with new purchase volume primarily due to the decline in average funding sources. The average yield on taxable investment securities increased 25 basis points to 2.88% and the average yield on tax-exempt investment securities increased 7 basis points to 2.75% driven by purchases of investment securities at current market interest rates and maturities and sales of securities at below market interest rates.

Average short-term investments, consisting of interest-bearing deposits in other financial institutions and federal funds sold, increased \$80.1 million, or 43.2%, to \$265.3 million. The increase is primarily a result of the sale and maturities of investment securities and the decline in average loans, partially offset by a decrease in average funding sources. The average yield on short-term investments increased 40 basis points to 4.95%, primarily due to higher average short-term interest rates when comparing the periods. The majority of these short-term investments are held at the Federal Reserve Bank.

The average balance of interest-bearing deposits increased \$129.0 million, or 25.3%, to \$638.3 million. Average non-interest-bearing demand deposits decreased \$145.6 million, or 26.3%, to \$407.1 million. The Company has experienced a migration of client funds from non-interest bearing to interest-bearing driven by the higher interest rate environment. The average rate paid on interest-bearing deposits increased 47 basis points to 3.35% due to higher average short-term interest rates when comparing the periods.

Average accounts and drafts payable decreased \$52.3 million, or 5.0%, to \$996.9 million. The decrease in average accounts and drafts payable was primarily reflective of a cyber event at a client, as described above, which decreased average balances approximately \$100.0 million as well as the decrease in transportation dollar volumes of 6.5%, partially offset by an increase in facility dollar volume of 10.1%.

### First half of 2024 compared to first half of 2023:

The decrease in net interest income is primarily due to the decrease in average earning assets of \$75.5 million, or 3.6%, partially offset by the increase in the net interest margin to 3.29%, as compared to 3.24% in the prior year. The yield on

interest-earning assets increased 43 basis points from 3.91% to 4.34% while the cost of interest-bearing liabilities increased 80 basis points from 2.52% to 3.32%.

Average loans decreased \$48.2 million, or 4.5%, to \$1.03 billion. The decrease in average loans was primarily due to the Company opting to be more selective in booking new loans as a result of a decline in average deposits. The average yield on loans increased 44 basis points to 5.16%.

Average investment securities decreased \$96.1 million, or 12.5%, to \$674.3 million. The average yield on taxable investment securities increased 20 basis points to 2.79% and the average yield on tax-exempt investment securities declined 3 basis points to 2.72%. The Company has not offset maturities and sales of investment securities with new purchase volume primarily due to the decline in average funding sources. The increase in the average yield on taxable investment securities was driven by purchases of investment securities at current market interest rates and maturities and sales of securities at below market interest rates.

Average short-term investments, consisting of interest-bearing deposits in other financial institutions and federal funds sold, increased \$68.8 million, or 28.7%, to \$308.7 million. The increase is primarily a result of the decline in average investment securities and loans, partially offset by a decrease in average funding sources. The average yield on short-term investments increased 64 basis points to 5.02%, primarily due to higher average short-term interest rates when comparing the periods. The majority of these short-term investments are held at the Federal Reserve Bank.

The average balance of interest-bearing deposits increased \$85.0 million, or 15.5%, to \$635.0 million. Average non-interest-bearing demand deposits decreased \$125.7 million, or 22.7%, to \$427.5 million. The Company has experienced a migration of client funds from non-interest bearing to interest-bearing driven by the higher interest rate environment. The average rate paid on interest-bearing deposits increased 82 basis points to 3.32% due to higher average short-term interest rates when comparing the periods.

Average accounts and drafts payable decreased \$55.7 million, or 5.2%, to \$1.02 billion. The decrease in average accounts and drafts payable was primarily reflective of a cyber event experienced by a client, as described above, which decreased average balances approximately \$100.0 million as well as the decrease in transportation dollar volumes of 9.8%, partially offset by an increase in facility dollar volumes of 4.8%.

**Distribution of Assets, Liabilities and Shareholders' Equity; Interest Rate and Interest Differential**

The following tables show the condensed average balance sheets for each of the periods reported, the tax-equivalent interest income and expense for each category of interest-earning assets and interest-bearing liabilities, and the average yield on such categories of interest-earning assets and the average rates paid on such categories of interest-bearing liabilities for each of the periods reported.

	Second Quarter of 2024			Second Quarter of 2023		
	Average Balance	Interest Income/ Expense	Yield/ Rate	Average Balance	Interest Income/ Expense	Yield/ Rate
<b>(In thousands)</b>						
<b>Assets<sup>1</sup></b>						
Interest-earning assets						
Loans <sup>2</sup> :	\$ 1,039,461	\$ 13,592	5.26 %	\$ 1,075,891	\$ 12,931	4.82 %
Investment securities <sup>3</sup> :						
Taxable	487,164	3,484	2.88 %	561,989	3,687	2.63 %
Tax-exempt <sup>4</sup>	166,511	1,137	2.75 %	187,661	1,253	2.68 %
Short-term investments	265,291	3,267	4.95 %	185,230	2,100	4.55 %
Total interest-earning assets	1,958,427	21,480	4.41 %	2,010,771	19,971	3.98 %
Non-interest-earning assets						
Cash and due from banks	22,196			24,461		
Premises and equipment, net	33,320			22,932		
Bank-owned life insurance	49,622			48,391		
Goodwill and other intangibles	20,389			21,159		
Payments in advance of funding	213,185			254,869		
Unrealized loss on investment securities	(64,196)			(62,873)		
Other assets	88,404			63,902		
Allowance for credit losses	(13,302)			(13,253)		
Total assets	\$ 2,308,045			\$ 2,370,359		
<b>Liabilities and Shareholders' Equity<sup>1</sup></b>						
Interest-bearing liabilities						
Interest-bearing demand deposits	\$ 554,813	\$ 4,526	3.28 %	\$ 442,686	\$ 3,229	2.93 %
Savings deposits	7,040	31	1.77 %	6,457	26	1.62 %
Time deposits >= \$100	26,959	246	3.67 %	21,934	151	2.76 %
Other time deposits	49,516	509	4.13 %	38,243	245	2.57 %
Total interest-bearing deposits	638,328	5,312	3.35 %	509,320	3,651	2.88 %
Short-term borrowings	11	—	— %	3,199	43	5.39 %
Total interest-bearing liabilities	638,339	5,312	3.35 %	512,519	3,694	2.89 %
Non-interest bearing liabilities						
Demand deposits	407,079			552,718		
Accounts and drafts payable	996,944			1,049,281		
Other liabilities	40,418			41,775		
Total liabilities	2,082,780			2,156,293		
Shareholders' equity	225,265			214,066		
Total liabilities and shareholders' equity	\$ 2,308,045			\$ 2,370,359		
Net interest income	\$	16,168		\$	16,277	
Net interest margin			3.32 %			3.25 %
Interest spread			1.06 %			1.09 %

- Balances shown are daily averages.
- Interest income on loans includes net loan fees of \$146,000 and \$291,000 for the second quarter of 2024 and 2023, respectively.
- For purposes of these computations, yields on investment securities are computed as interest income divided by the average amortized cost of the investments.
- Interest income is presented on a tax-equivalent basis assuming a tax rate of 21% for both 2024 and 2023. The tax-equivalent adjustment was approximately \$239,000 and \$263,000 for the second quarter of 2024 and 2023, respectively.

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	First Half of 2024			First Half of 2023		
	Average Balance	Interest Income/Expense	Yield/Rate	Average Balance	Interest Income/Expense	Yield/Rate
<i>(In thousands)</i>						
<b>Assets<sup>1</sup></b>						
Interest-earning assets						
Loans <sup>2</sup> :						
Taxable	\$ 1,027,854	\$ 26,368	5.16 %	\$ 1,076,055	\$ 25,166	4.72 %
Investment securities <sup>3</sup> :						
Taxable	504,154	7,004	2.79 %	566,804	7,274	2.59 %
Tax-exempt <sup>4</sup>	170,098	2,298	2.72 %	203,587	2,781	2.75 %
Short-term investments	308,727	7,708	5.02 %	239,887	5,213	4.38 %
Total interest-earning assets	2,010,833	43,378	4.34 %	2,086,333	40,434	3.91 %
Non-interest-earning assets:						
Cash and due from banks	22,711			23,260		
Premises and equipment, net	32,426			21,689		
Bank-owned life insurance	49,453			48,252		
Goodwill and other intangibles	20,481			21,257		
Payments in advance of funding	203,761			247,918		
Unrealized loss on investment securities	(61,801)			(64,689)		
Other assets	80,146			63,868		
Allowance for credit losses	(13,197)			(13,394)		
Total assets	\$ 2,344,813			\$ 2,434,494		
<b>Liabilities and Shareholders' Equity<sup>1</sup></b>						
Interest-bearing liabilities:						
Interest-bearing demand deposits	\$ 551,442	\$ 8,930	3.26 %	\$ 482,825	\$ 6,053	2.53 %
Savings deposits	7,242	63	1.75 %	6,778	48	1.43 %
Time deposits >= \$100	27,293	503	3.71 %	22,863	260	2.29 %
Other time deposits	48,998	994	4.08 %	37,519	461	2.48 %
Total interest-bearing deposits	634,975	10,490	3.32 %	549,985	6,822	2.50 %
Short-term borrowings	11	—	— %	4,509	116	5.19 %
Total interest-bearing liabilities	634,986	10,490	3.32 %	554,494	6,938	2.52 %
Non-interest bearing liabilities:						
Demand deposits	427,489			553,178		
Accounts and drafts payable	1,016,388			1,072,105		
Other liabilities	39,983			42,777		
Total liabilities	2,118,846			2,222,554		
Shareholders' equity	225,967			211,940		
Total liabilities and shareholders' equity	\$ 2,344,813			\$ 2,434,494		
Net interest income	\$	32,888		\$	33,496	
Net interest margin			3.29 %			3.24 %
Interest spread			1.02 %			1.39 %

- Balances shown are daily averages.
- Interest income on loans includes net loan fees of \$229,000 and \$511,000 for the six-month periods ended June 30, 2024 and 2023, respectively.
- For purposes of these computations, yields on investment securities are computed as interest income divided by the average amortized cost of the investments.
- Interest income is presented on a tax-equivalent basis assuming a tax rate of 21% for both the six-month periods ended June 30, 2024 and 2023. The tax-equivalent adjustment was approximately \$483,000 and \$584,000 for the six-month periods ended June 30, 2024 and 2023, respectively.

### Analysis of Net Interest Income Changes

The following tables present the changes in interest income and expense between periods due to changes in volume and interest rates. That portion of the change in interest attributable to the combined rate/volume variance has been allocated to rate and volume changes in proportion to the absolute dollar amounts of the change in each.

(In thousands)	Second Quarter of 2024 Compared to Second Quarter of 2023		
	Volume	Rate	Total
Increase (decrease) in interest income:			
Loans <sup>1</sup> :	\$ (460)	\$ 1,121	\$ 661
Investment securities:			
Taxable	(527)	324	(203)
Tax-exempt <sup>2</sup>	(147)	31	(116)
Short-term investments	970	197	1,167
Total interest income	(164)	1,673	1,509
Increase (decrease) in interest expense:			
Interest-bearing demand deposits	881	416	1,297
Savings deposits	2	3	5
Time deposits >=\$100	39	56	95
Other time deposits	86	178	264
Short-term borrowings	(21)	(22)	(43)
Total interest expense	987	631	1,618
Net interest income	\$ (1,151)	\$ 1,042	\$ (109)

- Interest income includes net loan fees.
- Interest income is presented on a tax-equivalent basis assuming a tax rate of 21% for the three-month periods ended June 30, 2024 and 2023.

(In thousands)	First Half of 2024 Compared to First Half of 2023		
	Volume	Rate	Total
Increase (decrease) in interest income:			
Loans <sup>1</sup> :			
Taxable	\$ (1,142)	\$ 2,344	\$ 1,202
Investment securities:			
Taxable	(824)	554	(270)
Tax-exempt <sup>2</sup>	(453)	(30)	(483)
Short-term investments	1,653	842	2,495
Total interest income	(766)	3,710	2,944
Interest expense on:			
Interest-bearing demand deposits	949	1,928	2,877
Savings deposits	4	11	15
Time deposits >=\$100	58	185	243
Other time deposits	171	362	533
Short-term borrowings	(58)	(58)	(116)
Total interest expense	1,124	2,428	3,552
Net interest income	\$ (1,890)	\$ 1,282	\$ (608)

- Interest income includes net loan fees.
- Interest income is presented on a tax-equivalent basis assuming a tax rate of 21% for the six-month periods ended June 30, 2024 and 2023.

### Provision and Allowance for Credit Losses and Allowance for Unfunded Commitments

The Company recorded a provision for credit losses and off-balance sheet credit exposures of \$400,000 for the second quarter of 2024 and release of credit losses of \$120,000 in second quarter of 2023. The Company recorded a provision for credit losses and off-balance sheet credit exposures of \$495,000 for the first half of 2024 and release of credit losses of \$460,000 in first half of 2023. The amount of the provision for (release of) credit losses is derived from the Company's quarterly Current Expected Credit Loss ("CECL") model. The amount of the provision for (release of) credit losses will fluctuate as determined by these quarterly analyses. The provision for credit losses in the second quarter and first half of 2024 was driven by an increase in total loans of \$47.7 million, or 4.7%, as compared to December 31, 2023.

The Company experienced no loan charge-offs in the second quarter of 2024 and 2023. The ACL was \$13.6 million at June 30, 2024 and \$13.1 million at December 31, 2023. The ACL represented 1.28% of outstanding loans at June 30, 2024 and 1.29% of outstanding loans at December 31, 2023. The allowance for unfunded commitments was \$82,000 at June 30, 2024 and \$132,000 at December 31, 2023. There were no nonperforming loans outstanding at June 30, 2024 and December 31, 2023.

The ACL has been established and is maintained to estimate the lifetime expected credit losses in the loan portfolio. An ongoing assessment is performed to determine if the balance is adequate. Charges or credits are made to expense based on changes in the economic forecast, qualitative risk factors, loan volume, and individual loans. For loans that are individually evaluated, the Company uses two impairment measurement methods: 1) the present value of expected future cash flows and 2) collateral value.

The Company also utilizes ratio analyses to evaluate the overall reasonableness of the ACL compared to its peers and required levels of regulatory capital. Federal and state regulatory agencies review the Company's methodology for maintaining the ACL. These agencies may require the Company to adjust the ACL based on their judgments and interpretations about information available to them at the time of their examinations.

### Summary of Credit Loss Experience

The following table presents information on the Company's provision for (release of) credit losses and analysis of the ACL:

(In thousands)	Second Quarter of		First Half of	
	2024	2023	2024	2023
Allowance for credit losses at beginning of period	\$ 13,299	\$ 13,254	\$ 13,089	\$ 13,539
Provision for (release of) credit losses	335	(60)	545	(345)
Allowance for credit losses at end of period	\$ 13,634	\$ 13,194	\$ 13,634	\$ 13,194
Allowance for unfunded commitments at beginning of period	\$ 17	\$ 177	\$ 132	\$ 232
Provision for (release of) credit losses	65	(60)	(50)	(115)
Allowance for unfunded commitments at end of period	\$ 82	\$ 117	\$ 82	\$ 117
Loans outstanding:				
Average	\$ 1,039,461	\$ 1,075,891	\$ 1,027,854	\$ 1,076,055
June 30	\$ 1,061,991	\$ 1,055,848	\$ 1,061,991	\$ 1,055,848
Ratio of allowance for credit losses to loans outstanding at June 30	1.28 %	1.25 %	1.28 %	1.25 %

### Operating Expenses

Total operating expenses for the second quarter of 2024 increased \$3.5 million, or 8.8%, compared to the second quarter of 2023. Total operating expenses for the first half of 2024 increased \$3.8 million, or 4.7%, compared to the first half of 2023. The following table details the components of operating expenses:

(In thousands)	Second Quarter of		First Half of	
	2024	2023	2024	2023
Salaries and commissions	\$ 24,259	\$ 23,617	\$ 48,235	\$ 46,222
Share-based compensation	474	909	1,700	2,859
Net periodic pension cost	194	138	389	273
Other benefits	4,930	4,768	10,140	10,104
Personnel	\$ 29,857	\$ 29,432	\$ 60,464	\$ 59,458
Occupancy	826	907	1,687	1,762
Equipment	1,988	1,749	3,869	3,399
Amortization of intangible assets	182	195	373	390
Other operating	9,940	7,056	17,071	14,702
Total operating expense	\$ 42,793	\$ 39,339	\$ 83,464	\$ 79,711

*Second quarter of 2024 compared to second quarter of 2023:*

Personnel expenses increased \$425,000, or 1.4%. Salaries and commissions increased \$642,000, or 2.7%, primarily as a result of merit increases. Share-based compensation decreased \$435,000, reflecting the Company's financial performance and the impact on performance-based restricted stock between the periods.

Equipment expense increased \$239,000, or 13.7%, partially due to an increase in depreciation expense related to technology initiatives throughout our lines of business.

Other operating expenses increased \$2.9 million, or 40.9%. Included in other operating expenses for the second quarter of 2024 are \$2.1 million of reserves and other losses on outstanding receivables in addition to \$1.3 million related to estimated late fees to be incurred on facility transactions. The late fees were mostly driven by a check processing delay with our third-party vendor, the same client that experienced a cyber attack, as described above.

*First half of 2024 compared to first half of 2023:*

Personnel expenses increased \$1.0 million, or 1.7%. Salaries and commissions increased \$2.0 million, or 4.4%, primarily as a result of merit increases. Share-based compensation decreased \$1.2 million, reflecting the Company's financial performance and the impact on performance-based restricted stock between the periods.

Equipment expense increased \$470,000, or 13.8%, partially due to an increase in depreciation expense related to technology initiatives throughout our lines of business.

Other operating expenses increased \$2.4 million, or 16.1% for the same reasons as described for the quarterly variance above, partially offset by lower levels of outside service expense as technology initiatives are completed.

**Financial Condition**

Total assets at June 30, 2024 were \$2.28 billion, a decrease of \$196.0 million, or 7.9%, from December 31, 2023.

The Company experienced a decrease in cash and cash equivalents of \$148.7 million, or 39.9%, during the first half of 2024. The change in cash and cash equivalents reflects the Company's daily liquidity position and is primarily affected by changes in funding sources, mainly accounts and drafts payable and deposits, cash flows in and out of loans, investments securities and payments in advance of funding.

The investment securities portfolio decreased \$86.3 million, or 13.8%, during the first half of 2024. The decrease is due to sales of \$25.0 million and maturities of \$103.6 million, partially offset by purchases of \$47.0 million.

Loans increased \$47.7 million, or 4.7%, from December 31, 2023. The Company experienced growth in its franchise restaurant and equipment finance loan portfolios during the first half of 2024.

Payments in advance of funding increased \$15.7 million, or 7.9%, from December 31, 2023 due to timing of funding.

Accounts and drafts receivable from customers decreased \$32.2 million, or 29.1%, from December 31, 2023. The decrease is solely due to timing of customer funding.

Total deposits at June 30, 2024 were \$1.01 billion, a decrease of \$128.5 million, or 11.3%, from December 31, 2023. The decrease is primarily due to timing as well as seasonal tax and compensation payments of Bank clients.

Accounts and drafts payable at June 30, 2024 were \$996.8 million, a decrease of \$74.5 million, or 7.0%, from December 31, 2023. The decrease in accounts and drafts payable was primarily reflective of a cyber event at a client which decreased average balances approximately \$100.0 million. Accounts and drafts payable will fluctuate from period-end to period-end due to the payment processing cycle, which results in lower balances on days when payments clear and higher balances on days when payments are issued. For this reason, average balances are generally a more meaningful measure of accounts and drafts payable.

Total liabilities at June 30, 2024 were \$2.05 billion, a decrease of \$196.1 million, or 8.7%, from December 31, 2023, reflective of the decrease in deposits and accounts and drafts payable.

Total shareholders' equity at June 30, 2024 was \$229.9 million, a \$116,000 increase from December 31, 2023. The increase in shareholders' equity is a result of the first half of 2024 net income of \$11.6 million, partially offset by dividends paid of \$8.2 million, the repurchase of Company stock of \$1.1 million, and an increase in accumulated other comprehensive loss of \$2.2 million primarily related to the fair value of available-for-sale investment securities.

#### **Liquidity and Capital Resources**

The discipline of liquidity management as practiced by the Company seeks to ensure that funds are available to fulfill all payment obligations relating to invoices processed as they become due and meet depositor withdrawal requests and borrower credit demands while at the same time maximizing profitability. This is accomplished by balancing changes in demand for funds with changes in supply of funds. Primary liquidity to meet demand is provided by short-term liquid assets that can be converted to cash, maturing securities and the ability to obtain funds from external sources. The Company's Asset/Liability Committee has direct oversight responsibility for the Company's liquidity position and profile. Management considers both on-balance sheet and off-balance sheet items in its evaluation of liquidity.

The balance of liquid assets consists of cash and cash equivalents, which include cash and due from banks, interest-bearing deposits in other financial institutions, federal funds sold and money market funds. Cash and cash equivalents totaled \$223.7 million at June 30, 2024, a decrease of \$148.7 million, or 39.9%, from December 31, 2023. At June 30, 2024, these assets represented 9.8% of total assets and are the Company's and its subsidiaries' primary source of liquidity to meet future expected and unexpected loan demand, depositor withdrawals or reductions in accounts and drafts payable.

Secondary sources of liquidity include the investment portfolio and borrowing lines. Total investment securities were \$540.8 million at June 30, 2024, a decrease of \$86.3 million from December 31, 2023. These assets represented 23.7% of total assets at June 30, 2024. Of the total portfolio, 8.2% mature in one year, 24.1% mature in one to five years, and 67.7% mature in five or more years.

The Bank has unsecured lines of credit at six correspondent banks to purchase federal funds up to a maximum of \$83.0 million in aggregate. As of June 30, 2024, the Bank also has secured lines of credit with the Federal Home Loan Bank of \$193.1 million collateralized by mortgage loans. The Company also has secured lines of credit from three banks up to a maximum of \$250.0 million in aggregate collateralized by investment securities. There were no amounts outstanding under any line of credit as of June 30, 2024 or December 31, 2023.

The deposits of the Company's banking subsidiary have historically been stable, consisting of a sizable volume of core deposits related to customers that utilize other commercial products of the Bank, including CassPay and faith-based customers. The accounts and drafts payable generated by the Company has also historically been a stable source of funds. The Company is part of the Certificate of Deposit Account Registry Service ("CDARS") and Insured Cash Sweep ("ICS") deposit placement programs. Time deposits include \$49.0 million of CDARS deposits and interest-bearing demand deposits include \$154.9 million of ICS deposits. These programs offer the Bank's customers the ability to maximize Federal Deposit Insurance Corporation ("FDIC") insurance coverage. The Company uses these programs to retain or attract deposits from existing customers.

Net cash flows provided by operating activities were \$20.5 million for the six-month period ended June 30, 2024, compared to \$17.0 million for the six-month period ended June 30, 2023, an increase of \$3.5 million. Net cash flows from investing and financing activities fluctuate greatly as the Company actively manages its investment and loan portfolios and



customer activity influences changes in deposit and accounts and drafts payable balances. Other causes for the changes in these account balances are discussed earlier in this report. Due to the daily fluctuations in these account balances, the analysis of changes in average balances, also discussed earlier in this report, can be more indicative of underlying activity than the period-end balances used in the statements of cash flows. Management anticipates that cash and cash equivalents, maturing investments and cash from operations will continue to be sufficient to fund the Company's operations and capital expenditures in 2024, which are estimated to range from \$10 million to \$12 million.

Net income plus amortization of intangible assets, net amortization of premium/discount on investment securities and depreciation of premises and equipment was \$16.3 million and \$19.0 million for the six-month periods ended June 30, 2024 and 2023, respectively, a decrease of \$2.6 million. The first half of 2024 reflected lower net income of \$2.6 million and higher depreciation of \$296,000, which was partially offset by a decrease in net amortization of premium/discount on investment securities of \$305,000. The net amortization of premium/discount on investment securities is dependent on the type of securities purchased and changes in the prevailing market interest rate environment.

Other factors impacting the \$3.5 million increase in net cash provided by operating activities include:

- An increase in other operating activities, net of \$2.5 million, primarily due to changes in various other assets and liabilities;
- A smaller increase in accounts receivable of \$2.2 million; and
- A change in the increase (decrease) of the current income tax liability of \$1.6 million and
- A change in the provision for (release of) credit losses of \$1.0 million primarily due to changes in loans outstanding during the respective periods.

These factors were partially offset by a decrease in stock compensation expense of \$1.2 million.

The Company faces market risk to the extent that its net interest income and fair market value of equity are affected by changes in market interest rates. For information regarding the market risk of the Company's financial instruments, see Item 3, "Quantitative and Qualitative Disclosures about Market Risk."

There are several trends and uncertainties that may impact the Company's ability to generate revenues and income at the levels that it has in the past. Those that could significantly impact the Company include the general levels of interest rates, business activity, inflation, and energy costs as well as new business opportunities available to the Company. For more detailed information on these trends and uncertainties and how they can generally affect the Company's available liquidity, see Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity" in the Company's 2023 Form 10-K.

As a bank holding company, the Company and the Bank are subject to capital requirements administered by state and federal banking agencies. Capital adequacy guidelines, and, for banks, prompt correct action regulations, involve quantitative measures of assets, liabilities, and certain off-balance sheet items calculated under regulatory accounting practices. Capital amounts and classifications are subject to qualitative judgments by regulators about components, risk weighting, and other factors. In addition, the calculation of all types of regulatory capital is subject to deductions and adjustments specified in the regulations. For example, as allowed under the Basel III Capital Rules, the Company has elected to opt-out of the requirement to include most components of accumulated other comprehensive income in common equity Tier 1 capital. For more information on these regulatory requirements, including the Basel III Capital Rules and capital classifications, see Item 1, "Business-Supervision and Regulation" and Item 8, Note 2, "Financial Statements and Supplementary Data" of the Company's 2023 Form 10-K.

The Company and the Bank continue to exceed all regulatory capital requirements, as evidenced by the following capital amounts and ratios:

(In thousands)	Actual		Capital Requirements		Requirement to be Well-Capitalized	
	Amount	Ratio	Amount	Ratio	Amount	Ratio
<b>At June 30, 2024</b>						
Total capital (to risk-weighted assets)						
Cass Information Systems, Inc.	\$ 272,601	15.08 %	\$ 144,584	8.00 %	\$ N/A	N/A %
Cass Commercial Bank	206,996	18.21	90,956	8.00	113,695	10.00
Common Equity Tier I Capital (to risk-weighted assets)						
Cass Information Systems, Inc.	258,886	14.32	81,328	4.50	N/A	N/A
Cass Commercial Bank	194,067	17.07	51,163	4.50	73,902	6.50
Tier I capital (to risk-weighted assets)						
Cass Information Systems, Inc.	258,886	14.32	108,438	6.00	N/A	N/A
Cass Commercial Bank	194,067	17.07	68,217	6.00	90,956	8.00
Tier I capital (to average assets)						
Cass Information Systems, Inc.	258,886	11.32	91,511	4.00	N/A	N/A
Cass Commercial Bank	194,067	14.00	55,464	4.00	69,329	5.00
<b>At December 31, 2023</b>						
Total capital (to risk-weighted assets)						
Cass Information Systems, Inc.	\$ 269,580	15.49 %	\$ 139,266	8.00 %	\$ N/A	N/A %
Cass Commercial Bank	204,584	19.04	85,964	8.00	107,455	10.00
Common Equity Tier I Capital (to risk-weighted assets)						
Cass Information Systems, Inc.	256,359	14.73	78,337	4.50	N/A	N/A
Cass Commercial Bank	192,104	17.88	48,355	4.50	69,846	6.50
Tier I capital (to risk-weighted assets)						
Cass Information Systems, Inc.	256,359	14.73	104,449	6.00	N/A	N/A
Cass Commercial Bank	192,104	17.88	64,473	6.00	85,964	8.00
Tier I capital (to average assets)						
Cass Information Systems, Inc.	256,359	10.71	95,760	4.00	N/A	N/A
Cass Commercial Bank	192,104	12.49	61,526	4.00	76,908	5.00

#### Impact of New and Not Yet Adopted Accounting Pronouncements

In October 2023, the FASB issued 2023-06, *Disclosure Improvements - Codification Amendments in Response to the SEC's Disclosure Update and Simplification Initiative* ("ASU 2023-06"). This ASU amends the ASC to incorporate certain disclosure requirements from SEC Release No. 33-10532 - Disclosure Update and Simplification that was issued in 2018.

The effective date for each amendment will be the date on which the SEC's removal of that related disclosure from Regulation S-X or Regulation S-K becomes effective, with early adoption prohibited. ASU 2023-06 is not expected to have a significant impact on the Company's financial statements.

In November 2023, the FASB issued 2023-07, *Segment Reporting (Topic 820): Improvements to Reportable Segment Disclosures* ("ASU 2023-07"). This ASU expands segment disclosure requirements for public entities to require disclosure of significant segment expenses and other segment items on an annual and interim basis and to provide in interim periods all disclosures about a reportable segment's profit or loss and assets that are currently required annually. ASU 2023-07 is effective for fiscal years beginning after December 15, 2023, and interim periods within fiscal years beginning after

December 15, 2024. Early adoption is permitted. ASU 2023-07 is not expected to have a significant impact on the Company's financial statements.

In December 2023, the FASB issued 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures* ("ASU 2023-09"). This ASU requires public business entities to disclose in their rate reconciliation table additional categories of information about federal, state, and foreign income taxes and to provide more details about the reconciling items in some categories if items meet a quantitative threshold. It also requires all entities to disclose income taxes paid, net of refunds, disaggregated by federal, state, and foreign taxes for annual periods and to disaggregate the information by jurisdiction based on a quantitative threshold, among other things. ASU 2023-09 is effective for annual periods beginning after December 15, 2024, though early adoption is permitted. ASU 2023-09 is not expected to have a significant impact on the Company's financial statements.

#### Critical Accounting Policies

The Company has prepared the consolidated financial statements in this report in accordance with the Financial Accounting Standards Board Accounting Standards Codification. In preparing the consolidated financial statements, management makes estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. These estimates have been generally accurate in the past, have been consistent and have not required any material changes. There can be no assurances that actual results will not differ from those estimates. The accounting policy that requires significant management estimates and is deemed critical to the Company's results of operations or financial position has been discussed with the Audit and Risk Committee of the Board of Directors and is described below.

**Allowance for Credit Losses.** The Company performs periodic and systematic detailed reviews of its loan portfolio to determine management's estimate of the lifetime expected credit losses. Although these estimates are based on established methodologies for determining allowance requirements, actual results can differ significantly from estimated results. These policies affect both segments of the Company. The impact and associated risks related to these policies on the Company's business operations are discussed in the "Provision and Allowance for Credit Losses and Allowance for Unfunded Commitments" section of this report.

#### ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

As described in the Company's 2023 Form 10-K for the year ended December 31, 2023, the Company manages its interest rate risk through measurement techniques that include gap analysis and a simulation model. As part of the risk management process, asset/liability management policies are established and monitored by management.

The following table summarizes simulated changes in net interest income versus unchanged rates over the next 12 months as of June 30, 2024 and December 31, 2023.

	% change in projected net interest income	
	June 30, 2024	December 31, 2023
+200 basis points	9.4 %	14.7 %
+100 basis points	5.7 %	6.5 %
Flat rates	— %	— %
-100 basis points	(1.0)%	(3.2) %
-200 basis points	(2.3)%	(6.0) %

The Company is generally asset sensitive as average interest-earning assets of \$1.96 billion for the second quarter of 2024 greatly exceeded average interest-bearing liabilities of \$638.3 million. The table above on the projected impact of interest rate shocks results from a static balance sheet at June 30, 2024.

#### ITEM 4. CONTROLS AND PROCEDURES

The Company's management, under the supervision and with the participation of the principal executive officer and the principal financial officer, evaluated the effectiveness of the Company's disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended) as of the end of the period covered by this report and concluded that, as of such date, these controls and procedures were effective.

There were no changes in the second quarter of 2024 in the Company's internal control over financial reporting identified by the Company's principal executive officer and principal financial officer in connection with their evaluation that materially affected or are reasonably likely to materially affect the Company's internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Securities Exchange Act of 1934, as amended).

**PART II. OTHER INFORMATION**

**ITEM 1. LEGAL PROCEEDINGS**

The Company is the subject of various pending or threatened legal actions and proceedings, including those that arise in the ordinary course of business. Management believes the outcome of all such proceedings will not have a material effect on the businesses or financial conditions of the Company or its subsidiaries.

**ITEM 1A. RISK FACTORS**

The Company has included in Part I, Item 1A of its 2023 Form 10-K, a description of certain risks and uncertainties that could affect the Company's business, future performance or financial condition (the "Risk Factors"). There are no material changes to the Risk Factors as disclosed in the Company's 2023 Form 10-K.

**ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS**

None.

**ITEM 3. DEFAULTS UPON SENIOR SECURITIES**

None.

**ITEM 4. MINE SAFETY DISCLOSURES**

Not applicable.

**ITEM 5. OTHER INFORMATION**

- (a) None.
- (b) There have been no material changes to the procedures by which security holders may recommend nominees to the Company's Board of Directors implemented in the second quarter of 2024.
- (c) During the three months ended June 30, 2024, none of the Company's officers or directors adopted or terminated any "Rule 10b5-1 trading arrangement" or any "non-Rule 10b5-1 trading arrangement," as such terms are defined under Item 408 of Regulation S-K.

**ITEM 6. EXHIBITS**

[Exhibit 10.1 Form of Employee Restricted Stock Award Agreement under the Cass Information Systems, Inc. 2023 Omnibus Stock and Performance Compensation Plan.](#)

[Exhibit 10.2 Form of Employee Restricted Stock Unit Agreement under the Cass Information Systems, Inc. 2023 Omnibus Stock and Performance Compensation Plan.](#)

[Exhibit 10.3 Form of Non-Employee Director Restricted Stock Award Agreement under the Cass Information Systems, Inc. 2023 Omnibus Stock and Performance Compensation Plan.](#)

[Exhibit 10.4 Form of Non-Employee Director Restricted Stock Unit Agreement under the Cass Information Systems, Inc. 2023 Omnibus Stock and Performance Compensation Plan.](#)

[Exhibit 31.1 Certification Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 .](#)

[Exhibit 31.2 Certification Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 .](#)

[Exhibit 32.1 Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 .](#)

[Exhibit 32.2 Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 .](#)

Exhibit 101.INS XBRL Instance Document. The instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.

Exhibit 101.SCH Inline XBRL Taxonomy Extension Schema Document.

Exhibit 101.CAL Inline XBRL Taxonomy Extension Calculation Linkbase Document.

Exhibit 101.LAB Inline XBRL Taxonomy Extension Label Linkbase Document.

Exhibit 101.PRE Inline XBRL Taxonomy Extension Presentation Linkbase Document.

Exhibit 101.DEF Inline XBRL Taxonomy Extension Definition Linkbase Document.

Exhibit 104 Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101).

\*Management contract or compensatory plan arrangement.

## SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

CASS INFORMATION SYSTEMS, INC.

DATE: August 6, 2024

By

/s/ Martin H. Resch

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Martin H. Resch

President and Chief Executive Officer

(Principal Executive Officer)

DATE: August 6, 2024

By

/s/ Michael J. Normile

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Michael J. Normile

Executive Vice President and Chief Financial Officer

(Principal Financial and Accounting Officer)

## EXHIBIT A

### CASS INFORMATION SYSTEMS, INC. 2023 OMNIBUS STOCK AND PERFORMANCE COMPENSATION PLAN RESTRICTED STOCK AWARD AGREEMENT

Participant Name: \_\_\_\_\_

Date of Grant: \_\_\_\_\_

Number of Restricted Shares subject to this Award: \_\_\_\_\_

We are pleased to inform you that, as an employee or director of Cass Information Systems, Inc. ("Cass" or "the Company") or one of its Subsidiaries, you are granted an Award of Restricted Shares ("Shares") under the Cass Information Systems, Inc. 2023 Omnibus Stock and Performance Compensation Plan (the "Plan"). Each Share under this Award represents one share of Cass common stock, \$0.50 par value per share. This Award Agreement is subject to your acceptance as provided in Section 1 below and the terms and conditions that follow in this Award Agreement.

The date of the Award evidenced by this Award Agreement (the "Date of Grant") is set forth above.

The terms and conditions of this Award Agreement, including non-standard provisions permitted by the Plan, are set forth below.

1. **Acceptance of Award.** This Award Agreement is to be accepted by signing your name on the signature page of this Award Agreement and causing it to be delivered to the Secretary of Cass, 12444 Powerscourt Drive, Suite 550, St. Louis, MO 63131, before 4:30 p.m. Central time on the 30th day after the Date of Grant. If the Secretary does not receive your properly signed copy of this Award Agreement before the time and date specified in the previous sentence, then, despite anything else provided in this Agreement, this Award will be void as if it was never awarded to you and will be of no effect. Your signing and timely delivering of this Award Agreement will evidence your acceptance on the terms and conditions stated in this Award Agreement.
2. **Vesting and Forfeiture of Restricted Stock**
  - a. **Vesting of Time-Based Restricted Shares.** With respect to forty percent (40%) of your Award Shares covering \_\_\_\_ Shares ("Time-Based Restricted Shares") will vest and become immediately transferrable on \_\_\_\_\_ ("Vesting Date"), which is three years from the date of grant ("Restriction Period"), if you remain employed through the Vesting Date, the Restriction Period will lapse with respect to applicable Time-Based Restricted Shares and Cass shall deliver the Shares to you effective three years from the date of grant. Cass shall deliver the Shares to you as explained in Section 3 of this Award Agreement.
  - b. **Vesting of Performance-Based Restricted Shares.** With respect to sixty percent (60%) of your Award Shares covering \_\_\_\_ Shares, ("Performance-Based Restricted Shares"), such Shares will vest and immediately become transferrable on \_\_\_\_\_ ("Vesting Date") in an amount, if any, based on the achievement of the performance goals set forth in Section 2.b.(i)-(iv) below. Any Performance-



Based Restricted Shares which do not become vested because of the failure to achieve these performance goals for the Performance Period shall be forfeited.

- i. The percentage of Performance-Based Restricted Shares shall vest based on achievement of earnings per share ("EPS") and return on equity ("ROE") goals over the Performance Period described below, as indicated in the table below. Each factor will be weighted 50% in determining the total percentage of Shares earned.

Performance Period:	Beginning	_____
(Three Years)	Ending	_____

	50%	100%	150%
	Threshold	Target	Maximum
Earnings per Share (EPS)	\$____	\$____	\$____
Return on Equity (ROE)	____%	____%	____%

- ii. The percentage earned related to EPS goals shall be determined based on the cumulative EPS for the 3 year Performance Period. 100% will be earned if the Company achieves target performance, 50% shall be earned if the Company achieves threshold performance and a maximum of 150% of the shares shall be earned if the Company achieves maximum or better performance. Performance that falls between threshold and target or target and maximum performance shall be interpolated between the respective percentages. Any performance that falls below threshold will result in 0% earned attributable to EPS performance.
- iii. The percentage earned related to ROE goals shall be based on the average ROE measured by calculating the average of each of the calendar year's annual average ROE calculations over the 3 year Performance Period. 100% will be earned if the Company achieves target performance, 50% shall be earned if the Company achieves threshold performance and a maximum of 150% of the Shares will be earned if the Company achieves maximum or better performance. Performance that falls between threshold and target or target and maximum performance shall be interpolated between the respective percentages. Any performance that falls below threshold will result in 0% earned attributable to ROE performance.
- iv. A weighting of 50% will be applied to each of the percentages earned related to EPS and ROE performance to determine the total percentage earned. The number of Shares earned will then be determined by taking the number of Performance-Based Restricted Shares awarded, stated in Section 2.b., multiplied by the total percentage earned. Any resulting partial shares will be rounded to the nearest whole share.

- v. EPS and average ROE shall be determined based on generally accepted accounting principles ("GAAP") and may be adjusted for extraordinary items as determined by the Company's Board of Directors. Extraordinary items shall mean extraordinary, unusual and/or non-recurring items, including but not limited to: restructuring or restructuring-related charges, gains or losses attributable to the disposition of a business or major asset, resolution and/or settlement of litigation and other legal proceedings or any other such income or expense related item that the Board of Directors has determined to be of an unusual or extraordinary nature.
- vi. Unless previously forfeited or transferred on account of your death, Total Disability or a Change in Control, the Restriction Period will lapse with respect to the applicable Performance-Based Restricted Shares earned, as described in Sections 2.b (i) – (v), and Cass shall deliver the Shares to you effective on the Vesting Date, which is three years from the date of grant, subject to the determination of performance results by the Board of Directors. In the event delays are experienced in determining the performance results beyond the Vesting Date, once such results are in fact determined, vesting shall occur retroactively back to the Vesting Date. Cass shall deliver the Shares to you as described in Section 3 of this Award Agreement.

### 3. Issuance of Restricted Shares

- a. Time-Based Restricted Shares shall be held in book entry form on the books of Cass's depository (or another institution specified by Cass) subject to the restrictions of this Award Agreement until such time the Shares have Vested, as explained in Section 2.a. or vest as a result of your death, Total Disability or a Change in Control, as explained in Section 4.a. As soon as practicable following the lapse of restriction provisions and subsequent Vesting of Shares, Cass shall give transfer instructions to the institution holding the Shares in book entry form so that the Shares are transferred to you or your designated beneficiary, if applicable, without restriction.

You hereby (i) acknowledge that Shares may be held in book entry form on the books of Cass's depository (or another institution specified by Cass), (ii) irrevocably authorize Cass to take such actions as may be necessary or appropriate to effect a transfer or cancellation of the record ownership of any such Unvested Shares that are forfeited in accordance with this Award Agreement, (iii) agree to take such other actions as Cass may reasonably request to accomplish the forfeiture of any Unvested Shares that are forfeited under this Award Agreement, and (iv) authorize Cass to cause such Shares to be cancelled or transferred in the event they are forfeited pursuant to this Award Agreement. For the purposes of this Award Agreement, "Unvested Shares" shall mean these shares that were not yet vested pursuant to the terms of this Award Agreement.

- b. Performance-Based Restricted Shares shall not be issued until such time the Performance Period has ended and the Board of Directors have determined the performance results and number of shares earned, as described in Section 2.b (2.b.i)

– (2.b.v). As soon as practicable following the determination of results, lapse of restrictions and subsequent vesting of Shares, Cass shall provide instructions to the depository institution (or other institution specified by Cass) to issue to recipient Shares earned in book entry form without restriction. The delivery of Shares in the event of a Death, Total Disability or a Change of Control is set forth in Section 4 below.

4. Effect of Death, Total Disability or Change of Control.
  - a. Time-Based Restricted Shares. If you die while in the employment or service of Cass or its Subsidiaries, the Restriction Period will lapse with respect to all outstanding Time-Based Restricted Shares and Cass shall deliver the Shares subject to this Award Agreement to your Designated Beneficiary or as provided in Section 6.e. if a Beneficiary has not been designated, has died or cannot be located. Subsequently, such Shares shall not be subject to forfeiture after your death. If you become Totally Disabled or a Change of Control occurs, that results in termination of service, while you are employed by or in the service of Cass or its Subsidiaries, the Restriction Period will lapse with respect to all outstanding Time-Based Restricted Shares and Cass shall deliver the Shares subject to this Award Agreement to you. Subsequently, such Shares shall not be subject to forfeiture after the occurrence of your Total Disability or a Change of Control occurs, that results in termination of service and such shares shall be delivered in the same manner as provided in this Section 2.
  - b. Performance-Based Restricted Shares. If you die or become Totally Disabled while in the employment or service of Cass or its Subsidiaries, all outstanding Performance-Based Restricted Shares shall vest in accordance with the normal terms of this Award Agreement as described in Section 2.b. In the case of your death Cass shall deliver the Shares that have vested to your Designated Beneficiary or as provided in Section 6.e. if a Beneficiary has not been designated, has died or cannot be located. If a Change in Control occurs that results in termination of employment during the Performance Period, all outstanding Performance-Based Restricted Shares will immediately vest and restrictions shall lapse at the Target Performance level and Cass shall deliver the shares to the recipient as explained in Section 3.b. as if the Restriction Period has ended.
5. Termination of Employment. If your employment or service with Cass or any of its Subsidiaries terminates, as described in Section 7, prior to the vesting of Shares in accordance with Section 2 other than by reason of your death, Total Disability, after a Change of Control or Normal Retirement, as described in Section 9, you shall forfeit all such Shares.
6. Restrictions. In association with the other terms of this Agreement and in accordance with the Plan, the Shares shall be subject to the following restrictions:
  - a. Neither (i) the Shares or any interest in them, (ii) the right to vote the Shares, (iii) the right to receive dividends on the Shares, or (iv) any other rights under this Agreement may be sold, transferred, donated, exchanged, pledged, hypothecated, assigned, or otherwise transferred, alienated or encumbered, by operation of law or

otherwise, until (and then only to the extent of) the Shares are delivered to you or, in the event of your death, your Designated Beneficiary or Beneficiaries or testamentary transferee or transferees.

- b. You shall have, with respect to the Time-Based Restricted Shares, all of the rights of a holder of Shares, including the right to vote such Shares and to earn any cash dividends thereon, except as otherwise provided in the Plan. Additional Shares of Cass common stock resulting from adjustments under Section XII of the Plan with respect to Shares subject to this Agreement shall be treated as additional Shares subject to the same restrictions and other terms of this Award Agreement. Cash dividends accrued on Unvested Shares shall be retained by Cass until the underlying Shares have vested and restrictions lifted and shall be payable subject to fulfillment of the terms and conditions of this Agreement. Such dividends are taxable to you as compensation income, and not dividend income, and are deductible by Cass or its Subsidiaries for income tax purposes as compensation income.
  - c. You shall have, with respect to the Performance-Based Shares, none of the rights of a holder of Shares, including the right to vote such Shares and to earn any cash dividends thereon, until such shares have vested and restrictions lifted. Additional Shares of Cass common stock resulting from adjustments under Section XII of the Plan with respect to Shares subject to this Agreement shall be treated as additional Shares subject to the same restrictions and other terms of this Agreement.
  - d. During your lifetime, Shares shall only be delivered to you. Any Shares transferred in accordance with this Agreement shall continue to be subject to the terms and conditions of this Agreement. Any transfer permitted under this Agreement shall be promptly reported in writing to Cass's Secretary.
  - e. You may designate a beneficiary or beneficiaries ("Designated Beneficiary or Beneficiaries") on the Designated Beneficiary form attached to this Agreement to receive Shares which vest on your death. If you do not complete the Beneficiary Designation form or if, after your death, your Designated Beneficiary or Beneficiaries has or have died or cannot be located, Shares which become vested on your death shall be transferred in accordance with your will or, if you have no will, in accordance with the terms of the Plan.
7. Effect of Other Causes of Termination of Employment. If your employment or service with Cass or any of its Subsidiaries terminates, as described in this Section 7, prior to the vesting of Shares in accordance with Section 2, you shall forfeit all such Unvested Shares:
- a. You voluntarily or involuntarily terminate employment without eligibility for Normal Retirement, as described in Section 9 of this Award Agreement.
  - b. Your employment or service by a Subsidiary of Cass shall be considered terminated on the date that the company for which you are employed or serve is no longer a Subsidiary of Cass, for reasons other than a Change in Control.

- c. Notwithstanding anything in this Award Agreement to the contrary, if your employment or service with Cass or a Subsidiary is Terminated for Cause, you shall forfeit all Shares for no consideration, including any Shares that have vested in accordance with Section 2.
- 8. **Transfer of Employment; Leave of Absence.** A transfer of your employment from Cass to a Subsidiary or vice versa, or from one Subsidiary to another, without an intervening period, shall not be deemed a termination of employment. If you are granted an authorized leave of absence, you shall be deemed to have remained in the employ or service of the company by which you are employed or of which you serve as a director during such leave of absence.
- 9. **Normal Retirement.** Provided you complete one of service after the Date of Grant under this Award Agreement or the Committee waives this one-year service requirement consistent with the limitations set forth in Section 5.4 of the Plan, you shall be eligible for normal retirement upon your voluntary resignation after reaching age 65 with a minimum of 5 years of service ("Normal Retirement"). Upon satisfying the age and service conditions for Normal Retirement, all Shares granted in this Award Agreement shall no longer be subject to forfeiture, though such Shares shall not become fully transferrable until the Vesting Date at the end of the applicable Restriction Period or Performance Period described in Section 2 of this Award Agreement.
- 10. **Tax Matters.**
  - a. Federal Income tax withholding (and state and local income tax withholding, if applicable) may be required with respect to the taxation of income realized when restrictions are removed from the Shares or in the event you make the Section 83(b) election described in Section 22. You agree to deliver to Cass only the amounts the Committee determines should be withheld, provided, however, that you may pay a portion or all of such withholding taxes by electing to have (i) Cass withhold a portion of the Shares that would otherwise be delivered to you or (ii) you can deliver to Cass Shares that you have owned for at least six months, in either case, having a Fair Market Value (as of the date that the amount of taxes is to be withheld) in the sum of the amount to be withheld plus reasonable expenses of selling such Shares, and provided further that your election shall be irrevocable and subject to the approval of the Committee.
  - b. You should consult with your tax advisor regarding the tax consequences of receiving shares and making the Section 83(b) election described in Section 22.
- 11. **Employment and Service.** Nothing contained in this Award Agreement or the Plan shall confer any right to continue in the employ or other service of Cass or any of its Subsidiaries or limit in any way the right of Cass or a Subsidiary to change your compensation or other benefits or to terminate your employment or other service with or without Cause.
- 12. **Listing: Securities Considerations.** Despite anything else in this Award Agreement, if at any time the Board determines, in its sole discretion, the listing, registration or qualification (or an updating of any such document) of the Shares issuable under this Agreement is necessary on any securities exchange or under any federal or state securities

or blue sky law, or that the consent or approval of any governmental regulatory body is necessary or desirable as a condition of, or in connection with the issuance of the Shares, or the removal of any restrictions imposed on such Shares, such Shares shall not be issued, in whole or in part, or the restrictions on the Shares removed, unless such listing, registration, qualifications, consent or approval shall have been effected or obtained free of any conditions not acceptable to Cass.

13. **Clawback Policy.** Notwithstanding any provision to the contrary, in the event Cass materially restates its financial statements, the Compensation Committee shall have the discretion to rescind, revoke, adjust or otherwise modify the award. Such action will be taken consistent with the Compensation Committee's governing Clawback Policy, a copy of which is available from the Secretary of Cass upon request. For the avoidance of doubt, the Compensation Committee may take such action against any Participant regardless of whether the Participant is a current or former Executive Officer.
14. **Binding Effect.** This Agreement shall inure to the benefit of and be binding on the parties to this Agreement and their respective heirs, executors, administrators, legal representatives and successors. Without limiting the generality of the foregoing, whenever the term "you" is used in any provision of this Agreement under circumstances where the provision appropriately applies to the heirs, executors, administrators, or legal representatives to whom Shares may be transferred by the Beneficiary Designation, will or the laws of descent and distribution, the term "you" shall be deemed to include such person or persons.
15. **Plan Provisions Govern.**
  - a. This award is subject to the terms, conditions, restrictions and other provisions of the Plan as if all those provisions were set forth in their entirety in this Award Agreement. If any provision of this Award Agreement conflicts with a provision of the Plan, the Plan provision shall control.
  - b. You acknowledge that a copy of the Plan and a prospectus summarizing the Plan was distributed or made available to you and that you were advised to review that material before entering into this Award Agreement. You waive the right to claim that the provisions of the Plan are not binding on you and your heirs, executors, administrators, legal representatives and successors.
  - c. Capitalized terms used but not defined in this Award Agreement have the meanings given those terms in the Plan.
  - d. By your signature below, you represent that you are familiar with the terms and provisions of the Plan, and hereby accept this Award Agreement subject to all of the terms and provisions of the Plan. You have reviewed the Plan and this Award Agreement in their entirety and fully understand all provisions of the Plan and this Award Agreement. You agree to accept as binding, conclusive and final all decisions or interpretations of the Committee on any questions arising under the Plan or this Award Agreement.



16. **Governing Law and Venue.** This Award Agreement shall be governed by and construed in accordance with the laws of the State of Missouri despite any laws of that state that would apply the laws of a different state. In the event of litigation arising in connection with this Award Agreement and/or the Plan, the parties hereto agree to submit to the jurisdiction of state and Federal courts located in Missouri.
17. **Severability.** If any term or provision of this Award Agreement, or the application of this Award Agreement to any person or circumstance, shall at any time or to any extent be invalid, illegal or unenforceable in any respect as written, both parties intend for any court construing this Award Agreement to modify or limit that provision so as to render it valid and enforceable to the fullest extent allowed by law. Any provision that is not susceptible of reformation shall be ignored so as to not affect any other term or provision of this Award Agreement, and the remainder of this Award Agreement, or the application of that term or provision to persons or circumstances other than those as to which it is held invalid, illegal or unenforceable, shall not be affected thereby and each term and provision of this Award Agreement shall be valid and enforceable to the fullest extent permitted by law.
18. **Entire Agreement; Modification.** The Plan and this Award Agreement contain the entire agreement between the parties with respect to the subject matter contained in this Award Agreement and it may not be modified, except as provided in the Plan, as it may be amended from time to time in the manner provided in the Plan, or in this Award Agreement, as it may be amended from time to time by a written document signed by each of the parties to this Award Agreement. Any oral or written agreements, representations, warranties, written inducements, or other communications with respect to the subject matter contained in this Award Agreement made before the signing of this Award Agreement shall be void and ineffective for all purposes.
19. **Counterparts.** This Award Agreement may be executed simultaneously in two or more counterparts, each of which shall constitute an original, but all of which taken together shall constitute one and the same Award Agreement.
20. **Descriptive Headings.** The descriptive headings of this Award Agreement are inserted for convenience only and do not constitute a part of this Award Agreement.
21. **Notices; Electronic Delivery.** All notices, demands or other communications to be given or delivered under or by reason of the provisions of this Award Agreement shall be in writing and shall be deemed to have been given when delivered personally; mailed by certified or registered mail, return receipt requested and postage prepaid; delivered by a nationally recognized overnight delivery service or sent by facsimile and confirmed by first class mail, to the recipient. Such notices, demands and other communications shall be sent to the parties at the addresses indicated below:
- a. **If to you:** \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
- b. **If to the Company:** Secretary  
Cass Information Systems, Inc.

12444 Powerscourt Drive, Suite 550  
St. Louis, Missouri 63131

or to such other address or to the attention of such other party as the recipient party has specified by prior written notice to the sending party. You agree during the term of this Award Agreement to keep Cass informed of your current mailing address and of receiving written notice from Cass in accordance with this Section 21. In lieu of receiving documents in paper format, you agree, to the fullest extent permitted by law, to accept electronic delivery of any documents that may be required to be delivered to you (including, but not limited to, prospectuses, prospectus supplements, grant or award notifications and agreements, account statements, annual and quarterly reports, and all other forms of communications) in connection with this and any other award made or offered by Cass. Electronic delivery may be via electronic mail system or by reference to a location on a Cass intranet to which you have access. You hereby consent to any and all procedures Cass has established or may establish for an electronic signature system for delivery and acceptance of any such documents that may be required to be delivered to you, and agree that your electronic signature is the same as, and shall have the same force and effect as, your manual signature.

22. **Section 83(b) Election.** In the event you make an election under Section 83(b) of the Internal Revenue Code of 1986, as amended, with respect to the Shares, the parties hereto shall cooperate to insure such election is effective.
23. **Authority to Receive Payments.** Any amount payable to or for the benefit of a minor, an incompetent person or other person incapable of receiving such payment shall be deemed paid when paid to the conservator of such person's estate or to the party providing or reasonably appearing to provide for the care of such person, and such payment shall fully discharge Cass and Members of the Committee and the Board with respect thereto.
24. **Data Privacy.** By executing this Award Agreement and participating in the Plan, you hereby explicitly and unambiguously consent to the collection, use, processing and transfer, in electronic or other form, of personal data by and among, as applicable, your employer, administrative agents and Cass and other subsidiaries for the exclusive purpose of implementing, administering and managing your participation in the Plan. You understand that administrative agents, Cass, your employer and other subsidiaries may hold certain personal information about you, including your name, home address and telephone number, date of birth, social security number or other identification number, salary/compensation, nationality, job title, any stock or directorships held in Cass, details of shares awarded, canceled, purchased or outstanding in your favor, for the purpose of managing and administering the Plan. You further understand that some or all related data may be transferred to any third parties assisting Cass in the implementation, administration and management of the Plan. You understand that these recipients may be located in your country of residence, or elsewhere, and that the recipient's country may have different data privacy laws and protections than your country of residence. You authorize the recipients to receive, possess, use, retain and transfer related data, in electronic or other form, for the purposes of implementing, administering and managing your participation in the Plan. You understand that withdrawing your consent may affect your ability to participate in the Plan.

[Signature Page Follows]



In Witness Whereof, the parties have caused this Agreement to be signed and delivered as of the day and year first above written.

CASS INFORMATION SYSTEMS, INC.      PARTICIPANT

\_\_\_\_\_  
Signature

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

\_\_\_\_\_  
Signature

Date: \_\_\_\_\_



CASS INFORMATION SYSTEMS, INC.  
2023 OMNIBUS STOCK AND PERFORMANCE COMPENSATION PLAN  
RESTRICTED STOCK UNIT (RSU) AWARD AGREEMENT

Participant Name: \_\_\_\_\_

Date of Grant: \_\_\_\_\_

Number of Restricted Stock Units subject to this Award: \_\_\_\_\_

We are pleased to inform you that, as an employee of Cass Information Systems, Inc. ("Cass" or "the Company") or one of its Subsidiaries, you are granted an Award of Restricted Stock Units ("RSUs") under the Cass Information Systems, Inc. 2023 Omnibus Stock and Performance Compensation Plan (the "Plan"). Each RSU under this Award is equivalent to one share of Cass common stock ("Stock"), \$0.50 par value per share. This Award Agreement is subject to your acceptance as provided in Section 1 below and the terms and conditions that follow in this Award Agreement.

The date of the Award evidenced by this Award Agreement (the "Date of Grant") is set forth above.

The terms and conditions of this Award Agreement, including non-standard provisions permitted by the Plan, are set forth below.

1. **Acceptance of Award.** This Award Agreement is to be accepted by signing your name on the signature page of this Award Agreement and causing it to be delivered to the Secretary of Cass, 12444 Powerscourt Drive, Suite 550, St. Louis, MO 63131, before 4:30 p.m. Central time on the 30th day after the Date of Grant. If the Secretary does not receive your properly signed copy of this Award Agreement before the time and date specified in the previous sentence, then, despite anything else provided in this Award Agreement, this Award will be void as if it was never awarded to you and will be of no effect. Your signing and timely delivering of this Award Agreement will evidence your acceptance on the terms and conditions stated in this Award Agreement.
2. **Vesting and Forfeiture of RSUs.**
  - a. **Vesting of Time-Based RSUs.** With respect to forty percent (40%) of your Award covering \_\_\_\_ RSUs ("Time-Based RSUs") will fully vest on \_\_\_\_\_ ("Vesting Date"), which is three years from the date of grant ("Restriction Period"); provided you remain employed through the Vesting Date. The Time-Based RSUs will be settled as explained in Section 3 of this Award Agreement.
  - b. **Vesting of Performance-Based RSUs.** With respect to sixty percent (60%) of your Award covering \_\_\_\_ Shares, ("Performance-Based RSUs"), such RSUs will vest on \_\_\_\_\_ ("Vesting Date") in an amount, if any, based on the achievement of the performance goals set forth in Section 2.b.(i)-(iv) below. Any Performance-Based RSUs which do not become vested because of the failure to achieve these performance goals for the Performance Period shall be forfeited.

- i. The percentage of Performance-Based RSUs shall vest based on achievement of earnings per share ("EPS") and return on equity ("ROE") goals over the Performance Period described below, as indicated in the table below. Each factor will be weighted 50% in determining the total percentage of RSUs earned.

Performance Period:	Beginning	_____
(Three Years)	Ending	_____

	50%	100%	150%
	Threshold	Target	Maximum
Earnings per Share (EPS)	\$ _____	\$ _____	\$ _____
Return on Equity (ROE)	____%	____%	____%

- ii. The percentage earned related to EPS goals shall be determined based on the cumulative EPS for the 3 year Performance Period. 100% will be earned if the Company achieves target performance, 50% shall be earned if the Company achieves threshold performance and a maximum of 150% of the RSUs shall be earned if the Company achieves maximum or better performance. Performance that falls between threshold and target or target and maximum performance shall be interpolated between the respective percentages. Any performance that falls below threshold will result in 0% earned attributable to EPS performance.
- iii. The percentage earned related to ROE goals shall be based on the average ROE measured by calculating the average of each of the calendar year's annual average ROE calculations over the 3 year Performance Period. 100% will be earned if the Company achieves target performance, 50% shall be earned if the Company achieves threshold performance and a maximum of 150% of the RSUs will be earned if the Company achieves maximum or better performance. Performance that falls between threshold and target or target and maximum performance shall be interpolated between the respective percentages. Any performance that falls below threshold will result in 0% earned attributable to ROE performance.
- iv. A weighting of 50% will be applied to each of the percentages earned related to EPS and ROE performance to determine the total percentage earned. The number of RSUs earned will then be determined by taking the number of Performance-Based RSUs awarded, stated in Section 2.b., multiplied by the total percentage earned. Any resulting partial RSUs will be rounded to the nearest whole share.
- v. EPS and average ROE shall be determined based on generally accepted accounting principles ("GAAP") and may be adjusted for extraordinary

items as determined by the Company's Board of Directors. Extraordinary items shall mean extraordinary, unusual and/or non-recurring items, including but not limited to: restructuring or restructuring-related charges, gains or losses attributable to the disposition of a business or major asset, resolution and/or settlement of litigation and other legal proceedings or any other such income or expense related item that the Board of Directors has determined to be of an unusual or extraordinary nature.

- vi. Unless previously forfeited or transferred on account of your death, Total Disability or a Change in Control, the Restriction Period will end with respect to the applicable Performance-Based RSUs earned, as described in Sections 2.b (i) – (v), and Cass shall deem the Performance-Based RSUs fully vested effective on the Vesting Date, which is three years from the date of grant, subject to the determination of performance results by the Board of Directors. In the event delays are experienced in determining the performance results beyond the Vesting Date, once such results are in fact determined, vesting shall occur retroactively back to the Vesting Date. Cass shall settle the RSUs as described in Section 3 of this Award Agreement.

- 3. Issuance of Shares. RSUs shall mean a nonvoting unit of measurement which is deemed for bookkeeping purposes to be equivalent to one outstanding share of Cass common stock, \$0.50 par value per share, solely for purposes of the Plan or this Award Agreement. The RSUs shall be used solely as a device for the determination of the number of shares of Stock to be issued as soon as reasonably practicable following your separation from service as an Employee. The RSUs shall not be treated as property or as a trust of any kind. RSUs shall be a bookkeeping entry subject to the restrictions of this Award Agreement until such time the RSUs have vested, as explained in Section 2. For purposes of this Award Agreement, "separation from service" shall have the meaning set forth under Section 409A of the Code.

Any Performance-Based RSUs shall not be settled until such time that the Performance Period has ended and the Board of Directors have determined the performance results and number of RSUs earned, as described in Section 2.b. The delivery of shares of Stock in settlement of any RSUs in the event of a Death, Total Disability or a Change of Control is set forth in Section 4 below.

- 4. Effect of Death, Total Disability or Change of Control.
  - a. Time-Based RSUs. If you die while in the service of Cass or its Subsidiaries, your Time-Based RSUs shall become immediately vested and Cass shall deliver the shares of Stock in settlement of the Time-Based RSUs subject to this Award Agreement to your Designated Beneficiary, or as provided in Section 5.d. if a Beneficiary has not been designated, has died, or cannot be located. Subsequently, such RSUs shall not be subject to forfeiture after your death. If you become Totally Disabled or a Change of Control occurs, that results in termination of service, while you are in the service of Cass or its Subsidiaries, your Time-Based RSUs shall become immediately vested and Cass shall deliver the shares of Stock in settlement

of the Time-Based RSUs subject to this Award Agreement to you. Subsequently, such Stock shall not be subject to forfeiture after the occurrence of your Total Disability or a Change of Control occurs that results in termination of service and such Stock shall be delivered in the same manner as provided in this Section 4.

- b. **Performance-Based RSUs.** If you die or become Totally Disabled while in the employment or service of Cass or its Subsidiaries, all outstanding Performance-Based RSUs shall vest in accordance with the normal terms of this Award Agreement as described in Section 2.b. In the case of your death, Cass shall deliver shares of Stock with respect to any RSUs that have vested to your Designated Beneficiary or as provided in Section 6.e. if a Beneficiary has not been designated, has died or cannot be located. If a Change in Control occurs that results in termination of employment during the Performance Period, all outstanding Performance-Based RSUs will immediately vest at the Target Performance level and Cass shall deliver any shares of Stock with respect to the RSUs to the recipient as explained in Section 3 as if the Restriction Period has ended.
5. **Restrictions.** In association with the other terms of this Award Agreement and in accordance with the Plan and the RSUs shall be subject to the following restrictions:
- a. The RSU or any interest in them or any other rights under this Award Agreement may not be sold, transferred, donated, exchanged, pledged, hypothecated, assigned, or otherwise transferred, alienated or encumbered, by operation of law or otherwise, until (and then only to the extent of) the shares of Stock are delivered to you or, in the event of your death, your Designated Beneficiary or Beneficiaries or testamentary transferee or transferees.
  - b. You shall have, with respect to RSUs, none of the rights of a holder of Stock, including the right to vote. Notwithstanding the preceding, dividends paid on Stock which are represented by RSUs will be accrued as dividend equivalents, but not paid, during the Deferral Period. Such accrued dividend equivalents will be paid in cash to you at the time the Stock, related to the vesting of RSUs, is paid to you.
  - c. During your lifetime, Stock shall only be delivered to you. Any Stock transferred in accordance with this Award Agreement shall continue to be subject to the terms and conditions of this Award Agreement. Any transfer permitted under this Award Agreement shall be promptly reported in writing to Cass's Secretary.
  - d. You may designate a beneficiary or beneficiaries ("Designated Beneficiary or Beneficiaries") on the Designated Beneficiary form attached to this Award Agreement to receive Stock for RSUs which vest on your death. If you do not complete the Beneficiary Designation form or if, after your death, your Designated Beneficiary or Beneficiaries has or have died or cannot be located, Stock for RSUs which become vested on your death shall be transferred in accordance with your will or, if you have no will, in accordance with the terms of the Plan.

6. **Effect of Termination for Cause.** Notwithstanding anything in this Award Agreement to the contrary, if your service with Cass or a Subsidiary is Terminated for Cause, you will immediately forfeit all outstanding RSUs.
7. **Transfer of Service; Leave of Absence.** A transfer of your employment from Cass to a Subsidiary or vice versa, or from one Subsidiary to another, without an intervening period, shall not be deemed a termination of employment. If you are granted an authorized leave of absence, you shall be deemed to have remained in the employ or service of the company by which you are employed or of which you serve as a director during such leave of absence.
8. **Tax Matters.**
  - a. This Award Agreement is intended to comply with Section 409A of the Code or an exemption thereunder and shall be construed and interpreted in a manner that is consistent with the requirements for avoiding additional taxes or penalties under Section 409A of the Code. Notwithstanding the foregoing, Cass makes no representations that the payments and benefits provided under this Award Agreement comply with Section 409A of the Code and in no event shall Cass be liable for all or any portion of any taxes, penalties, interest or other expenses that you may incur on account of non-compliance with Section 409A of the Code.
  - b. You should consult with your tax advisor regarding the tax consequences of receiving RSUs.
9. **No Right to Continued Service.** Nothing contained in this Award Agreement or the Plan shall confer any right to continue in the service of Cass or any of its Subsidiaries or limit in any way the right of Cass or a Subsidiary to change your compensation or other benefits or to terminate your service with or without Cause.
10. **Listing: Securities Considerations.** Despite anything else in this Award Agreement, if at any time the Board determines, in its sole discretion, the listing, registration or qualification (or an updating of any such document) of the shares of Stock issuable under this Award Agreement is necessary on any securities exchange or under any federal or state securities or blue sky law, or that the consent or approval of any governmental regulatory body is necessary or desirable as a condition of, or in connection with the issuance of the shares of Stock, or the removal of any restrictions imposed on the RSUs underlying such shares of Stock, such shares of Stock shall not be issued, in whole or in part, or the restrictions on the underlying RSUs removed, unless such listing, registration, qualifications, consent or approval shall have been effected or obtained free of any conditions not acceptable to Cass.
11. **Clawback Policy.** Notwithstanding any provision to the contrary, in the event Cass materially restates its financial statements, the result of which is that the Award described herein would have been lesser if calculated based on restated results, the Compensation Committee shall have the discretion to rescind, revoke, adjust or otherwise modify the Award. Such action will be taken consistent with the Compensation Committee's

governing Clawback Policy, a copy of which is available from the Secretary of Cass upon request. For the avoidance of doubt, the Compensation Committee may take such action against any Participant regardless of whether the Participant is a current or former Executive Officer.

12. **Binding Effect.** This Award Agreement shall inure to the benefit of and be binding on the parties to this Award Agreement and their respective heirs, executors, administrators, legal representatives and successors. Without limiting the generality of the foregoing, whenever the term “you” is used in any provision of this Award Agreement under circumstances where the provision appropriately applies to the heirs, executors, administrators, or legal representatives to whom Stock related to the vesting of RSUs may be transferred by the Beneficiary Designation, will or the laws of descent and distribution, the term “you” shall be deemed to include such person or persons.
13. **Plan Provisions Govern.**
  - a. This Award Agreement is subject to the terms, conditions, restrictions and other provisions of the Plan as if all those provisions were set forth in their entirety in this Award Agreement. If any provision of this Award Agreement conflicts with a provision of the Plan, the Plan provision shall control.
  - b. You acknowledge that a copy of the Plan and a prospectus summarizing the Plan was distributed or made available to you and that you were advised to review that material before entering into this Award Agreement. You waive the right to claim that the provisions of the Plan are not binding on you and your heirs, executors, administrators, legal representatives and successors.
  - c. Capitalized terms used but not defined in this Award Agreement have the meanings given those terms in the Plan.
  - d. By your signature below, you represent that you are familiar with the terms and provisions of the Plan, and hereby accept this Award Agreement subject to all of the terms and provisions of the Plan. You have reviewed the Plan and this Award Agreement in their entirety and fully understand all provisions of the Plan and this Award Agreement. You agree to accept as binding, conclusive and final all decisions or interpretations of the Committee on any questions arising under the Plan or this Award Agreement.
14. **Governing Law and Venue.** This Award Agreement shall be governed by and construed in accordance with the laws of the State of Missouri despite any laws of that state that would apply the laws of a different state. In the event of litigation arising in connection with this Award Agreement and/or the Plan, the parties hereto agree to submit to the jurisdiction of state and Federal courts located in Missouri.
15. **Severability.** If any term or provision of this Award Agreement, or the application of this Award Agreement to any person or circumstance, shall at any time or to any extent be invalid, illegal or unenforceable in any respect as written, both parties intend for any court construing this Award Agreement to modify or limit that provision so as to render it valid



and enforceable to the fullest extent allowed by law. Any provision that is not susceptible of reformation shall be ignored so as to not affect any other term or provision of this Award Agreement, and the remainder of this Award Agreement, or the application of that term or provision to persons of circumstances other than those as to which it is held invalid, illegal or unenforceable, shall not be affected thereby and each term and provision of this Award Agreement shall be valid and enforceable to the fullest extent permitted by law.

16. **Entire Agreement; Modification.** The Plan and this Award Agreement contain the entire agreement between the parties with respect to the subject matter contained in this Award Agreement and it may not be modified, except as provided in the Plan, as it may be amended from time to time in the manner provided in the Plan, or in this Award Agreement, as it may be amended from time to time by a written document signed by each of the parties to this Award Agreement. Any oral or written agreements, representations, warranties, written inducements, or other communications with respect to the subject matter contained in this Award Agreement made before the signing of this Award Agreement shall be void and ineffective for all purposes.
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18. **Descriptive Headings.** The descriptive headings of this Award Agreement are inserted for convenience only and do not constitute a part of this Award Agreement.
19. **Notices; Electronic Delivery.** All notices, demands or other communications to be given or delivered under or by reason of the provisions of this Award Agreement shall be in writing and shall be deemed to have been given when delivered personally; mailed by certified or registered mail, return receipt requested and postage prepaid; delivered by a nationally recognized overnight delivery service or sent by facsimile and confirmed by first class mail, to the recipient. Such notices, demands and other communications shall be sent to the parties at the addresses indicated below:
  - a. **If to you:**
  - b. **If to the Company:** Secretary  
Cass Information Systems, Inc.  
12444 Powerscourt Drive, Suite 550  
St. Louis, Missouri 63131

or to such other address or to the attention of such other party as the recipient party has specified by prior written notice to the sending party. You agree during the term of this Award Agreement to keep Cass informed of your current mailing address and of receiving written notice from Cass in accordance with this Section 19. In lieu of receiving documents in paper format, you agree, to the fullest extent permitted by law, to accept electronic delivery of any documents that may be required to be delivered to you (including, but not limited to, prospectuses, prospectus supplements, grant or award notifications and agreements, account statements, annual and quarterly reports, and all other forms of

communications) in connection with this and any other award made or offered by Cass. Electronic delivery may be via electronic mail system or by reference to a location on a Cass intranet to which you have access. You hereby consent to any and all procedures Cass has established or may establish for an electronic signature system for delivery and acceptance of any such documents that may be required to be delivered to you, and agree that your electronic signature is the same as, and shall have the same force and effect as, your manual signature.

20. **Authority to Receive Payments.** Any amount payable to or for the benefit of a minor, an incompetent person or other person incapable of receiving such payment shall be deemed paid when paid to the conservator of such person's estate or to the party providing or reasonably appearing to provide for the care of such person, and such payment shall fully discharge Cass and Members of the Committee and the Board with respect thereto.
21. **Data Privacy.** By executing this Award Agreement and participating in the Plan, you hereby explicitly and unambiguously consent to the collection, use, processing and transfer, in electronic or other form, of personal data by and among, as applicable, administrative agents and Cass and other subsidiaries for the exclusive purpose of implementing, administering and managing your participation in the Plan. You understand that administrative agents, Cass, and other subsidiaries may hold certain personal information about you, including your name, home address and telephone number, date of birth, social security number or other identification number, salary/compensation, nationality, job title, any stock or directorships held in Cass, details of RSUs awarded, canceled, purchased or outstanding in your favor, for the purpose of managing and administering the Plan. You further understand that some or all related data may be transferred to any third parties assisting Cass in the implementation, administration and management of the Plan. You understand that these recipients may be located in your country of residence, or elsewhere, and that the recipient's country may have different data privacy laws and protections than your country of residence. You authorize the recipients to receive, possess, use, retain and transfer related data, in electronic or other form, for the purposes of implementing, administering and managing your participation in the Plan. You understand that withdrawing your consent may affect your ability to participate in the Plan.

[Signature Page Follows]

In Witness Whereof, the parties have caused this Award Agreement to be signed and delivered as of the day and year first above written.

CASS INFORMATION SYSTEMS, INC.      PARTICIPANT

\_\_\_\_\_  
Signature  
By:\_\_\_\_\_  
Title:\_\_\_\_\_  
Date:\_\_\_\_\_

\_\_\_\_\_  
Signature  
Date:\_\_\_\_\_



CASS INFORMATION SYSTEMS, INC.  
2023 OMNIBUS STOCK AND PERFORMANCE COMPENSATION PLAN  
RESTRICTED STOCK AWARD AGREEMENT

Participant Name: \_\_\_\_\_

Date of Grant: \_\_\_\_\_

Number of Restricted Shares subject to this Award: \_\_\_\_\_

We are pleased to inform you that, as a director of Cass Information Systems, Inc. ("Cass" or "the Company") or one of its Subsidiaries, you are granted an Award of Restricted Shares ("Shares") under the Cass Information Systems, Inc. 2023 Omnibus Stock and Performance Compensation Plan (the "Plan"). Each Share under this Award represents one share of Cass common stock, \$0.50 par value per share. This Award Agreement is subject to your acceptance as provided in Section 1 below and the terms and conditions that follow in this Award Agreement.

The date of the Award evidenced by this Award Agreement (the "Date of Grant") is set forth above.

The terms and conditions of this Award Agreement, including non-standard provisions permitted by the Plan, are set forth below.

1. **Acceptance of Award.** This Award Agreement is to be accepted by signing your name on the signature page of this Award Agreement and causing it to be delivered to the Secretary of Cass, 12444 Powerscourt Drive, Suite 550, St. Louis, MO 63131, before 4:30 p.m. Central time on the 30th day after the Date of Grant. If the Secretary does not receive your properly signed copy of this Award Agreement before the time and date specified in the previous sentence, then, despite anything else provided in this Agreement, this Award will be void as if it was never awarded to you and will be of no effect. Your signing and timely delivering of this Award Agreement will evidence your acceptance on the terms and conditions stated in this Award Agreement.
2. **Vesting and Forfeiture of Restricted Stock.** Your Award Shares will vest and become immediately transferrable on the Vesting Date as set forth in Exhibit A ("Restriction Period"). Upon the Vesting Date, the Restriction Period will lapse with respect to the Award Shares and Cass shall deliver the Shares to you as explained in Section 3 of this Award Agreement.
3. **Issuance of Restricted Shares.** Shares shall be held in book entry form on the books of Cass's depository (or another institution specified by Cass) subject to the restrictions of this Award Agreement until such time the Shares have Vested, as explained in Section 2. or vest as a result of your death, Total Disability or a Change in Control, as explained in Section 4. As soon as practicable following the lapse of restriction provisions and subsequent Vesting of Shares, Cass shall give transfer instructions to the institution holding the Shares in book entry form so that the Shares are transferred to you or your designated beneficiary, if applicable, without restriction.

You hereby (i) acknowledge that Shares may be held in book entry form on the books of Cass's depository (or another institution specified by Cass), (ii) irrevocably authorize Cass

to take such actions as may be necessary or appropriate to effect a transfer or cancellation of the record ownership of any such Unvested Shares that are forfeited in accordance with this Award Agreement, (iii) agree to take such other actions as Cass may reasonably request to accomplish the forfeiture of any Unvested Shares that are forfeited under this Award Agreement, and (iv) authorize Cass to cause such Shares to be cancelled or transferred in the event they are forfeited pursuant to this Award Agreement. For the purposes of this Award Agreement, "Unvested Shares" shall mean these shares that were not yet vested pursuant to the terms of this Award Agreement.

4. **Effect of Death, Total Disability or Change of Control.** If you die while in the service of Cass or its Subsidiaries, the Restriction Period will lapse with respect to all outstanding Restricted Shares and Cass shall deliver the Shares subject to this Award Agreement to your Designated Beneficiary or as provided in Section 6 if a Beneficiary has not been designated, has died or cannot be located. Subsequently, such Shares shall not be subject to forfeiture after your death. If you become Totally Disabled or a Change of Control occurs, that results in termination of service, while you are in the service of Cass or its Subsidiaries, the Restriction Period will lapse with respect to all outstanding Restricted Shares and Cass shall deliver the Shares subject to this Award Agreement to you. Subsequently, such Shares shall not be subject to forfeiture after the occurrence of your Total Disability or a Change of Control occurs, that results in termination of service and such shares shall be delivered in the same manner as provided in this Section 2.
5. **Termination of Service.** If your service with Cass or any of its Subsidiaries terminates, as described in Section 7, prior to the vesting of Shares in accordance with Section 2 other than by reason of your death, Total Disability, or after a Change of Control, you shall forfeit all such Shares.
6. **Restrictions.** In association with the other terms of this Agreement and in accordance with the Plan, the Shares shall be subject to the following restrictions:
  - a. Neither (i) the Shares or any interest in them, (ii) the right to vote the Shares, (iii) the right to receive dividends on the Shares, or (iv) any other rights under this Agreement may be sold, transferred, donated, exchanged, pledged, hypothecated, assigned, or otherwise transferred, alienated or encumbered, by operation of law or otherwise, until (and then only to the extent of) the Shares are delivered to you or, in the event of your death, your Designated Beneficiary or Beneficiaries or testamentary transferee or transferees.
  - b. You shall have, with respect to the Restricted Shares, all of the rights of a holder of Shares, including the right to vote such Shares and to earn any cash dividends thereon, except as otherwise provided in the Plan. Additional Shares of Cass common stock resulting from adjustments under Section XII of the Plan with respect to Shares subject to this Agreement shall be treated as additional Shares subject to the same restrictions and other terms of this Award Agreement. Cash dividends accrued on Unvested Shares shall be retained by Cass until the underlying Shares have vested and restrictions lifted and shall be payable subject to fulfillment of the terms and conditions of this Agreement. Such dividends are

taxable to you as compensation income, and not dividend income, and are deductible by Cass or its Subsidiaries for income tax purposes as compensation income.

- c. During your lifetime, Shares shall only be delivered to you. Any Shares transferred in accordance with this Agreement shall continue to be subject to the terms and conditions of this Agreement. Any transfer permitted under this Agreement shall be promptly reported in writing to Cass's Secretary.
  - d. You may designate a beneficiary or beneficiaries ("Designated Beneficiary or Beneficiaries") on the Designated Beneficiary form attached to this Agreement to receive Shares which vest on your death. If you do not complete the Beneficiary Designation form or if, after your death, your Designated Beneficiary or Beneficiaries has or have died or cannot be located, Shares which become vested on your death shall be transferred in accordance with your will or, if you have no will, in accordance with the terms of the Plan.
- 7. **Effect of Other Causes of Termination of Service.** If your service with Cass or any of its Subsidiaries terminates, as described in this Section 7, prior to the vesting of Shares in accordance with Section 2, you shall forfeit all such Unvested Shares:
  - a. Your service by a Subsidiary of Cass shall be considered terminated on the date that the company for which you serve is no longer a Subsidiary of Cass, for reasons other than a Change in Control.
  - b. Notwithstanding anything in this Award Agreement to the contrary, if your service with Cass or a Subsidiary is Terminated for Cause, you shall forfeit all Shares for no consideration, including any Shares that have vested in accordance with Section 2.
- 8. **Transfer of Service; Leave of Absence.** A transfer of your service from Cass to a Subsidiary or vice versa, or from one Subsidiary to another, without an intervening period, shall not be deemed a termination of service. If you are granted an authorized leave of absence, you shall be deemed to have remained in the service of the company of which you serve as a director during such leave of absence.
- 9. **Tax Matters.**
  - a. Federal Income tax withholding (and state and local income tax withholding, if applicable) may be required with respect to the taxation of income realized when restrictions are removed from the Shares or in the event you make the Section 83(b) election described in Section 21. You agree to deliver to Cass only the amounts the Committee determines should be withheld, provided, however, that you may pay a portion or all of such withholding taxes by electing to have (i) Cass withhold a portion of the Shares that would otherwise be delivered to you or (ii) you can deliver to Cass Shares that you have owned for at least six months, in either case, having a Fair Market Value (as of the date that the amount of taxes is to be withheld) in the sum of the amount to be withheld plus reasonable expenses of selling such



Shares, and provided further that your election shall be irrevocable and subject to the approval of the Committee.

- b. You should consult with your tax advisor regarding the tax consequences of receiving shares and making the Section 83(b) election described in Section 21.
10. **No Right to Continued Service.** Nothing contained in this Award Agreement or the Plan shall confer any right to continue in the service of Cass or any of its Subsidiaries or limit in any way the right of Cass or a Subsidiary to change your compensation or other benefits or to terminate your service with or without Cause.
11. **Listing: Securities Considerations.** Despite anything else in this Award Agreement, if at any time the Board determines, in its sole discretion, the listing, registration or qualification (or an updating of any such document) of the Shares issuable under this Agreement is necessary on any securities exchange or under any federal or state securities or blue sky law, or that the consent or approval of any governmental regulatory body is necessary or desirable as a condition of, or in connection with the issuance of the Shares, or the removal of any restrictions imposed on such Shares, such Shares shall not be issued, in whole or in part, or the restrictions on the Shares removed, unless such listing, registration, qualifications, consent or approval shall have been effected or obtained free of any conditions not acceptable to Cass.
12. **Clawback Policy.** Notwithstanding any provision to the contrary, in the event Cass materially restates its financial statements, the Compensation Committee shall have the discretion to rescind, revoke, adjust or otherwise modify the award. Such action will be taken consistent with the Compensation Committee's governing Clawback Policy, a copy of which is available from the Secretary of Cass upon request. For the avoidance of doubt, the Compensation Committee may take such action against any Participant regardless of whether the Participant is a current or former Executive Officer.
13. **Binding Effect.** This Agreement shall inure to the benefit of and be binding on the parties to this Agreement and their respective heirs, executors, administrators, legal representatives and successors. Without limiting the generality of the foregoing, whenever the term "you" is used in any provision of this Agreement under circumstances where the provision appropriately applies to the heirs, executors, administrators, or legal representatives to whom Shares may be transferred by the Beneficiary Designation, will or the laws of descent and distribution, the term "you" shall be deemed to include such person or persons.
14. **Plan Provisions Govern.**
  - a. This award is subject to the terms, conditions, restrictions and other provisions of the Plan as if all those provisions were set forth in their entirety in this Award Agreement. If any provision of this Award Agreement conflicts with a provision of the Plan, the Plan provision shall control.
  - b. You acknowledge that a copy of the Plan and a prospectus summarizing the Plan was distributed or made available to you and that you were advised to review that



material before entering into this Award Agreement. You waive the right to claim that the provisions of the Plan are not binding on you and your heirs, executors, administrators, legal representatives and successors.

- c. Capitalized terms used but not defined in this Award Agreement have the meanings given those terms in the Plan.
  - d. By your signature below, you represent that you are familiar with the terms and provisions of the Plan, and hereby accept this Award Agreement subject to all of the terms and provisions of the Plan. You have reviewed the Plan and this Award Agreement in their entirety and fully understand all provisions of the Plan and this Award Agreement. You agree to accept as binding, conclusive and final all decisions or interpretations of the Committee on any questions arising under the Plan or this Award Agreement.
15. **Governing Law and Venue.** This Award Agreement shall be governed by and construed in accordance with the laws of the State of Missouri despite any laws of that state that would apply the laws of a different state. In the event of litigation arising in connection with this Award Agreement and/or the Plan, the parties hereto agree to submit to the jurisdiction of state and Federal courts located in Missouri.
16. **Severability.** If any term or provision of this Award Agreement, or the application of this Award Agreement to any person or circumstance, shall at any time or to any extent be invalid, illegal or unenforceable in any respect as written, both parties intend for any court construing this Award Agreement to modify or limit that provision so as to render it valid and enforceable to the fullest extent allowed by law. Any provision that is not susceptible of reformation shall be ignored so as to not affect any other term or provision of this Award Agreement, and the remainder of this Award Agreement, or the application of that term or provision to persons or circumstances other than those as to which it is held invalid, illegal or unenforceable, shall not be affected thereby and each term and provision of this Award Agreement shall be valid and enforceable to the fullest extent permitted by law.
17. **Entire Agreement; Modification.** The Plan and this Award Agreement contain the entire agreement between the parties with respect to the subject matter contained in this Award Agreement and it may not be modified, except as provided in the Plan, as it may be amended from time to time in the manner provided in the Plan, or in this Award Agreement, as it may be amended from time to time by a written document signed by each of the parties to this Award Agreement. Any oral or written agreements, representations, warranties, written inducements, or other communications with respect to the subject matter contained in this Award Agreement made before the signing of this Award Agreement shall be void and ineffective for all purposes.
18. **Counterparts.** This Award Agreement may be executed simultaneously in two or more counterparts, each of which shall constitute an original, but all of which taken together shall constitute one and the same Award Agreement.

19. **Descriptive Headings.** The descriptive headings of this Award Agreement are inserted for convenience only and do not constitute a part of this Award Agreement.

20. **Notices; Electronic Delivery.** All notices, demands or other communications to be given or delivered under or by reason of the provisions of this Award Agreement shall be in writing and shall be deemed to have been given when delivered personally; mailed by certified or registered mail, return receipt requested and postage prepaid; delivered by a nationally recognized overnight delivery service or sent by facsimile and confirmed by first class mail, to the recipient. Such notices, demands and other communications shall be sent to the parties at the addresses indicated below:

a. **If to you:**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

b. **If to the Company:**

Secretary  
Cass Information Systems, Inc.  
12444 Powerscourt Drive, Suite 550  
St. Louis, Missouri 63131

or to such other address or to the attention of such other party as the recipient party has specified by prior written notice to the sending party. You agree during the term of this Award Agreement to keep Cass informed of your current mailing address and of receiving written notice from Cass in accordance with this Section 20. In lieu of receiving documents in paper format, you agree, to the fullest extent permitted by law, to accept electronic delivery of any documents that may be required to be delivered to you (including, but not limited to, prospectuses, prospectus supplements, grant or award notifications and agreements, account statements, annual and quarterly reports, and all other forms of communications) in connection with this and any other award made or offered by Cass. Electronic delivery may be via electronic mail system or by reference to a location on a Cass intranet to which you have access. You hereby consent to any and all procedures Cass has established or may establish for an electronic signature system for delivery and acceptance of any such documents that may be required to be delivered to you, and agree that your electronic signature is the same as, and shall have the same force and effect as, your manual signature.

21. **Section 83(b) Election.** In the event you make an election under Section 83(b) of the Internal Revenue Code of 1986, as amended, with respect to the Shares, the parties hereto shall cooperate to insure such election is effective.

22. **Authority to Receive Payments.** Any amount payable to or for the benefit of a minor, an incompetent person or other person incapable of receiving such payment shall be deemed paid when paid to the conservator of such person's estate or to the party providing or reasonably appearing to provide for the care of such person, and such payment shall fully discharge Cass and Members of the Committee and the Board with respect thereto.

23. **Data Privacy.** By executing this Award Agreement and participating in the Plan, you hereby explicitly and unambiguously consent to the collection, use, processing and transfer, in electronic or other form, of personal data by and among, as applicable, administrative agents and Cass and other subsidiaries for the exclusive purpose of implementing, administering and managing your participation in the Plan. You understand that administrative agents, Cass, and other subsidiaries may hold certain personal information about you, including your name, home address and telephone number, date of birth, social security number or other identification number, salary/compensation, nationality, job title, any stock or directorships held in Cass, details of shares awarded, canceled, purchased or outstanding in your favor, for the purpose of managing and administering the Plan. You further understand that some or all related data may be transferred to any third parties assisting Cass in the implementation, administration and management of the Plan. You understand that these recipients may be located in your country of residence, or elsewhere, and that the recipient's country may have different data privacy laws and protections than your country of residence. You authorize the recipients to receive, possess, use, retain and transfer related data, in electronic or other form, for the purposes of implementing, administering and managing your participation in the Plan. You understand that withdrawing your consent may affect your ability to participate in the Plan.

[Signature Page Follows]

In Witness Whereof, the parties have caused this Agreement to be signed and delivered as of the day and year first above written.

CASS INFORMATION SYSTEMS, INC.      PARTICIPANT

\_\_\_\_\_  
Signature

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

\_\_\_\_\_  
Signature

Date: \_\_\_\_\_

CASS INFORMATION SYSTEMS, INC.  
AMENDED AND RESTATED  
OMNIBUS STOCK AND PERFORMANCE COMPENSATION PLAN

EXHIBIT A

As described in Section 2 of this Agreement, the vesting schedule applicable to the Shares subject to this Agreement shall be as follows:

Vesting at Voluntary Termination of Service

You have previously made an election to defer the vesting date of your Shares until the date of your voluntary termination of service. In that regard, restrictions shall lapse with respect to all Shares and such Shares shall be delivered at the time your employment terminates voluntarily, if you are an employee, or at the time your service terminates voluntarily, if you are a non-employee Director of Cass.

OR

CASS INFORMATION SYSTEMS, INC.  
AMENDED AND RESTATED  
OMNIBUS STOCK AND PERFORMANCE COMPENSATION PLAN

EXHIBIT A

As described in Section 2 of this Agreement, the vesting schedule applicable to the Shares subject to this Agreement shall be as follows:

1 Year Vesting

Restrictions shall lapse with respect to all Shares and such Shares shall be delivered one year from the Date of Grant.



CASS INFORMATION SYSTEMS, INC.  
2023 OMNIBUS STOCK AND PERFORMANCE COMPENSATION PLAN  
RESTRICTED STOCK UNIT (RSU) AWARD AGREEMENT

Participant Name: \_\_\_\_\_

Date of Grant: \_\_\_\_\_

Number of Restricted Stock Units subject to this Award: \_\_\_\_\_

We are pleased to inform you that, as a director of Cass Information Systems, Inc. ("Cass" or "the Company") or one of its Subsidiaries, you are granted an Award of Restricted Stock Units ("RSUs") under the Cass Information Systems, Inc. 2023 Omnibus Stock and Performance Compensation Plan (the "Plan"). Each RSU under this Award is equivalent to one share of Cass common stock ("Stock"), \$0.50 par value per share. This Award Agreement is subject to your acceptance as provided in Section 1 below and the terms and conditions that follow in this Award Agreement.

The date of the Award evidenced by this Award Agreement (the "Date of Grant") is set forth above.

The terms and conditions of this Award Agreement, including non-standard provisions permitted by the Plan, are set forth below.

1. **Acceptance of Award.** This Award Agreement is to be accepted by signing your name on the signature page of this Award Agreement and causing it to be delivered to the Secretary of Cass, 12444 Powerscourt Drive, Suite 550, St. Louis, MO 63131, before 4:30 p.m. Central time on the 30th day after the Date of Grant. If the Secretary does not receive your properly signed copy of this Award Agreement before the time and date specified in the previous sentence, then, despite anything else provided in this Award Agreement, this Award will be void as if it was never awarded to you and will be of no effect. Your signing and timely delivering of this Award Agreement will evidence your acceptance on the terms and conditions stated in this Award Agreement.
2. **Deferral Election.** Consistent with your prior nonrevocable deferral election, your Award will vest and be settled in shares of Stock only upon your separation from service as a Director (the "Deferral Period"). Cass shall deliver the Stock to you as explained in Section 3 of this Award Agreement.
3. **Issuance of Shares.** RSUs shall mean a nonvoting unit of measurement which is deemed for bookkeeping purposes to be equivalent to one outstanding share of Cass common stock, \$0.50 par value per share, solely for purposes of the Plan or this Award Agreement. The RSUs shall be used solely as a device for the determination of the number of shares of Stock to be issued as soon as reasonably practicable following your separation from service as a Director. The RSUs shall not be treated as property or as a trust of any kind. RSUs shall be a bookkeeping entry subject to the restrictions of this Award Agreement until such time the RSUs have vested, as explained in Section 2. For purposes of this Award Agreement, "separation from service" shall have the meaning set forth under Section 409A of the Code.

4. **Effect of Death, Total Disability or Change of Control.** If you die while in the service of Cass or its Subsidiaries, your RSUs shall become immediately vested and Cass shall deliver the shares of Stock in settlement of the RSUs subject to this Award Agreement to your Designated Beneficiary, or as provided in Section 5.d. if a Beneficiary has not been designated, has died, or cannot be located. Subsequently, such RSUs shall not be subject to forfeiture after your death. If you become Totally Disabled or a Change of Control occurs, that results in termination of service, while you are in the service of Cass or its Subsidiaries, your RSUs shall become immediately vested and Cass shall deliver the shares of Stock in settlement of the RSUs subject to this Award Agreement to you. Subsequently, such Stock shall not be subject to forfeiture after the occurrence of your Total Disability or a Change of Control occurs that results in termination of service and such Stock shall be delivered in the same manner as provided in this Section 4.
5. **Restrictions.** In association with the other terms of this Award Agreement and in accordance with the Plan and the RSUs shall be subject to the following restrictions:
  - a. The RSU or any interest in them or any other rights under this Award Agreement may not be sold, transferred, donated, exchanged, pledged, hypothecated, assigned, or otherwise transferred, alienated or encumbered, by operation of law or otherwise, until (and then only to the extent of) the shares of Stock are delivered to you or, in the event of your death, your Designated Beneficiary or Beneficiaries or testamentary transferee or transferees.
  - b. You shall have, with respect to RSUs, none of the rights of a holder of Stock, including the right to vote. Notwithstanding the preceding, dividends paid on Stock which are represented by RSUs will be accrued as dividend equivalents, but not paid, during the Deferral Period. Such accrued dividend equivalents will be paid in cash to you at the time the Stock, related to the vesting of RSUs, is paid to you.
  - c. During your lifetime, Stock shall only be delivered to you. Any Stock transferred in accordance with this Award Agreement shall continue to be subject to the terms and conditions of this Award Agreement. Any transfer permitted under this Award Agreement shall be promptly reported in writing to Cass's Secretary.
  - d. You may designate a beneficiary or beneficiaries ("Designated Beneficiary or Beneficiaries") on the Designated Beneficiary form attached to this Award Agreement to receive Stock for RSUs which vest on your death. If you do not complete the Beneficiary Designation form or if, after your death, your Designated Beneficiary or Beneficiaries has or have died or cannot be located, Stock for RSUs which become vested on your death shall be transferred in accordance with your will or, if you have no will, in accordance with the terms of the Plan.
6. **Effect of Termination for Cause.** Notwithstanding anything in this Award Agreement to the contrary, if your service with Cass or a Subsidiary is Terminated for Cause, you will immediately forfeit all outstanding RSUs.



7. **Transfer of Service; Leave of Absence.** A transfer of your service from Cass to a Subsidiary or vice versa, or from one Subsidiary to another, without an intervening period, shall not be deemed a termination of service. If you are granted an authorized leave of absence, you shall be deemed to have remained in the service of the company of which you serve as a director during such leave of absence.
8. **Tax Matters.**
  - a. This Award Agreement is intended to comply with Section 409A of the Code or an exemption thereunder and shall be construed and interpreted in a manner that is consistent with the requirements for avoiding additional taxes or penalties under Section 409A of the Code. Notwithstanding the foregoing, Cass makes no representations that the payments and benefits provided under this Award Agreement comply with Section 409A of the Code and in no event shall Cass be liable for all or any portion of any taxes, penalties, interest or other expenses that you may incur on account of non-compliance with Section 409A of the Code.
  - b. You should consult with your tax advisor regarding the tax consequences of receiving RSUs.
9. **No Right to Continued Service.** Nothing contained in this Award Agreement or the Plan shall confer any right to continue in the service of Cass or any of its Subsidiaries or limit in any way the right of Cass or a Subsidiary to change your compensation or other benefits or to terminate your service with or without Cause.
10. **Listing: Securities Considerations.** Despite anything else in this Award Agreement, if at any time the Board determines, in its sole discretion, the listing, registration or qualification (or an updating of any such document) of the shares of Stock issuable under this Award Agreement is necessary on any securities exchange or under any federal or state securities or blue sky law, or that the consent or approval of any governmental regulatory body is necessary or desirable as a condition of, or in connection with the issuance of the shares of Stock, or the removal of any restrictions imposed on the RSUs underlying such shares of Stock, such shares of Stock shall not be issued, in whole or in part, or the restrictions on the underlying RSUs removed, unless such listing, registration, qualifications, consent or approval shall have been effected or obtained free of any conditions not acceptable to Cass.
11. **Clawback Policy.** Notwithstanding any provision to the contrary, in the event Cass materially restates its financial statements, the result of which is that the Award described herein would have been lesser if calculated based on restated results, the Compensation Committee shall have the discretion to rescind, revoke, adjust or otherwise modify the Award. Such action will be taken consistent with the Compensation Committee's governing Clawback Policy, a copy of which is available from the Secretary of Cass upon request. For the avoidance of doubt, the Compensation Committee may take such action against any Participant regardless of whether the Participant is a current or former Executive Officer.

12. **Binding Effect.** This Award Agreement shall inure to the benefit of and be binding on the parties to this Award Agreement and their respective heirs, executors, administrators, legal representatives and successors. Without limiting the generality of the foregoing, whenever the term “you” is used in any provision of this Award Agreement under circumstances where the provision appropriately applies to the heirs, executors, administrators, or legal representatives to whom Stock related to the vesting of RSUs may be transferred by the Beneficiary Designation, will or the laws of descent and distribution, the term “you” shall be deemed to include such person or persons.
13. **Plan Provisions Govern.**
- a. This Award Agreement is subject to the terms, conditions, restrictions and other provisions of the Plan as if all those provisions were set forth in their entirety in this Award Agreement. If any provision of this Award Agreement conflicts with a provision of the Plan, the Plan provision shall control.
  - b. You acknowledge that a copy of the Plan and a prospectus summarizing the Plan was distributed or made available to you and that you were advised to review that material before entering into this Award Agreement. You waive the right to claim that the provisions of the Plan are not binding on you and your heirs, executors, administrators, legal representatives and successors.
  - c. Capitalized terms used but not defined in this Award Agreement have the meanings given those terms in the Plan.
  - d. By your signature below, you represent that you are familiar with the terms and provisions of the Plan, and hereby accept this Award Agreement subject to all of the terms and provisions of the Plan. You have reviewed the Plan and this Award Agreement in their entirety and fully understand all provisions of the Plan and this Award Agreement. You agree to accept as binding, conclusive and final all decisions or interpretations of the Committee on any questions arising under the Plan or this Award Agreement.
14. **Governing Law and Venue.** This Award Agreement shall be governed by and construed in accordance with the laws of the State of Missouri despite any laws of that state that would apply the laws of a different state. In the event of litigation arising in connection with this Award Agreement and/or the Plan, the parties hereto agree to submit to the jurisdiction of state and Federal courts located in Missouri.
15. **Severability.** If any term or provision of this Award Agreement, or the application of this Award Agreement to any person or circumstance, shall at any time or to any extent be invalid, illegal or unenforceable in any respect as written, both parties intend for any court construing this Award Agreement to modify or limit that provision so as to render it valid and enforceable to the fullest extent allowed by law. Any provision that is not susceptible of reformation shall be ignored so as to not affect any other term or provision of this Award Agreement, and the remainder of this Award Agreement, or the application of that term or provision to persons or circumstances other than those as to which it is held invalid, illegal

or unenforceable, shall not be affected thereby and each term and provision of this Award Agreement shall be valid and enforceable to the fullest extent permitted by law.

16. **Entire Agreement; Modification.** The Plan and this Award Agreement contain the entire agreement between the parties with respect to the subject matter contained in this Award Agreement and it may not be modified, except as provided in the Plan, as it may be amended from time to time in the manner provided in the Plan, or in this Award Agreement, as it may be amended from time to time by a written document signed by each of the parties to this Award Agreement. Any oral or written agreements, representations, warranties, written inducements, or other communications with respect to the subject matter contained in this Award Agreement made before the signing of this Award Agreement shall be void and ineffective for all purposes.
17. **Counterparts.** This Award Agreement may be executed simultaneously in two or more counterparts, each of which shall constitute an original, but all of which taken together shall constitute one and the same Award Agreement.
18. **Descriptive Headings.** The descriptive headings of this Award Agreement are inserted for convenience only and do not constitute a part of this Award Agreement.
19. **Notices; Electronic Delivery.** All notices, demands or other communications to be given or delivered under or by reason of the provisions of this Award Agreement shall be in writing and shall be deemed to have been given when delivered personally; mailed by certified or registered mail, return receipt requested and postage prepaid; delivered by a nationally recognized overnight delivery service or sent by facsimile and confirmed by first class mail, to the recipient. Such notices, demands and other communications shall be sent to the parties at the addresses indicated below:
  - a. **If to you:**
  - b. **If to the Company:** Secretary  
Cass Information Systems, Inc.  
12444 Powerscourt Drive, Suite 550  
St. Louis, Missouri 63131

or to such other address or to the attention of such other party as the recipient party has specified by prior written notice to the sending party. You agree during the term of this Award Agreement to keep Cass informed of your current mailing address and of receiving written notice from Cass in accordance with this Section 19. In lieu of receiving documents in paper format, you agree, to the fullest extent permitted by law, to accept electronic delivery of any documents that may be required to be delivered to you (including, but not limited to, prospectuses, prospectus supplements, grant or award notifications and agreements, account statements, annual and quarterly reports, and all other forms of communications) in connection with this and any other award made or offered by Cass. Electronic delivery may be via electronic mail system or by reference to a location on a Cass intranet to which you have access. You hereby consent to any and all procedures Cass has established or may establish for an electronic signature system for delivery and

acceptance of any such documents that may be required to be delivered to you, and agree that your electronic signature is the same as, and shall have the same force and effect as, your manual signature.

20. **Authority to Receive Payments.** Any amount payable to or for the benefit of a minor, an incompetent person or other person incapable of receiving such payment shall be deemed paid when paid to the conservator of such person's estate or to the party providing or reasonably appearing to provide for the care of such person, and such payment shall fully discharge Cass and Members of the Committee and the Board with respect thereto.
21. **Data Privacy.** By executing this Award Agreement and participating in the Plan, you hereby explicitly and unambiguously consent to the collection, use, processing and transfer, in electronic or other form, of personal data by and among, as applicable, administrative agents and Cass and other subsidiaries for the exclusive purpose of implementing, administering and managing your participation in the Plan. You understand that administrative agents, Cass, and other subsidiaries may hold certain personal information about you, including your name, home address and telephone number, date of birth, social security number or other identification number, salary/compensation, nationality, job title, any stock or directorships held in Cass, details of RSUs awarded, canceled, purchased or outstanding in your favor, for the purpose of managing and administering the Plan. You further understand that some or all related data may be transferred to any third parties assisting Cass in the implementation, administration and management of the Plan. You understand that these recipients may be located in your country of residence, or elsewhere, and that the recipient's country may have different data privacy laws and protections than your country of residence. You authorize the recipients to receive, possess, use, retain and transfer related data, in electronic or other form, for the purposes of implementing, administering and managing your participation in the Plan. You understand that withdrawing your consent may affect your ability to participate in the Plan.

[Signature Page Follows]

In Witness Whereof, the parties have caused this Award Agreement to be signed and delivered as of the day and year first above written.

CASS INFORMATION SYSTEMS, INC.      PARTICIPANT

\_\_\_\_\_  
Signature  
By: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

\_\_\_\_\_  
Signature  
Date: \_\_\_\_\_



## CERTIFICATIONS

I, Martin H. Resch, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Cass Information Systems, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 6, 2024

/s/ Martin H. Resch

Martin H. Resch  
 President and Chief Executive Officer  
 (Principal Executive Officer)

## CERTIFICATIONS

I, Michael J. Normile, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Cass Information Systems, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 6, 2024

/s/ Michael J. Normile

Michael J. Normile  
Executive Vice President and Chief  
Financial Officer  
(Principal Financial and Accounting Officer)



**CERTIFICATION PURSUANT TO  
18 U.S.C. SECTION 1350,  
AS ADOPTED PURSUANT TO  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Cass Information Systems, Inc. ("the Company") on Form 10-Q for the period ended June 30, 2024 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Martin H. Resch, President and Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Martin H. Resch

Martin H. Resch  
President and Chief Executive Officer  
(Principal Executive Officer)  
August 6, 2024

A signed original of this written statement required by Section 906 has been provided to Cass Information Systems, Inc. and will be retained by Cass Information Systems, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.

**CERTIFICATION PURSUANT TO  
18 U.S.C. SECTION 1350,  
AS ADOPTED PURSUANT TO  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Cass Information Systems, Inc. ("the Company") on Form 10-Q for the period ended June 30, 2024 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Michael J. Normile, Executive Vice President and Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

\_\_\_\_\_  
/s/ Michael J. Normile

Michael J. Normile  
Executive Vice President and Chief Financial Officer  
(Principal Financial and Accounting Officer)  
August 6, 2024

A signed original of this written statement required by Section 906 has been provided to Cass Information Systems, Inc. and will be retained by Cass Information Systems, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.