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Press Release

Scholarship Contest Winner Awarded to Local Student

IMMEDIATE RELEASE: Carlinville, IL., Friday, May 5, 2023

The Community Bankers Association of Illinois (CBAI) Foundation for Community Banking has selected its 2023 Annual Scholarship Program winners. This year, 79 CBAI member banks representing 205 students participated in the contest.

CNB Bank & Trust, N.A. is very pleased to announce that Aidan Gorman has been named the first-place winner for CBAI Group 1; the Bank sponsored Gorman for the contest. He has been awarded a one-time \$1,000 award to be used for higher education beginning next fall.

Attached is a copy of his winning essay. Details will be available in September 2023 for the 2024 scholarship program.

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About CBAI: Founded in 1974, CBAI is a professional trade association headquartered in Springfield, and represents approximately 300 Illinois community-oriented banks and thrifts.

About the CBAI Foundation for Community Banking: The Foundation was established by CBAI to professionally serve and support member financial institutions through every available channel, and to promote the community-banking philosophy.

CNB Bank & Trust has 18 locations to better serve its customers: Alton; Brighton; Carlinville; Carrollton; Chapin; Clayton, MO; Edwardsville - Glen Carbon; Hillsboro; Jacksonville (2); Jerseyville; Litchfield; Oak Forest; Palos Heights; Pittsfield; Taylorville; Tinley Park; and Virden. In addition to a wide variety of traditional banking services, CNB also offers farm management, investment, and trust services. For more information about CNB and its unique community-centered approach to banking, visit www.cnbil.com.



Although fintech has been a recent conversation, they can be dated back to the mid-1900s. The technology wasn't as advanced as it is today, but it was still a way for people to spend money without having to go into a bank and making a withdrawal. The revolutionary idea started with the credit card but has now evolved into a way to make loans online instantly. Fintech has affected everyone, but it has impacted the banking industry enormously.

First of all, fintech is causing the banking industry to evolve. Banks have been forced to spend resources into developing their financial technology to be able to adapt to the changes in how people use banks. The shift towards fintech is shown through the various apps and websites that banks have developed, allowing people to receive instant loans. These apps were created to compete with the other banks and individual companies that use fintech. The competition caused by the banks and the other companies will only allow the larger banks and top fintech companies to thrive. Although the competition caused by fintech is healthy, the risks of using fintech is a major threat. It might be hard to know the exact threats and likelihood of them, but the idea of giving your information and money to something that you cannot physically contact is worrying - even to those who use the individual companies. Furthering the competition between these companies and banks, banks have lowered the interest rates of loans when using fintech instead of the physical bank. This will help banks be more competitive and consumers with more security of requesting a loan using fintech, as the lower interest rates entices consumers.

Finally, financial technology will cause a lack of relationships between the consumers and the banks. This will hurt the community banks as the philosophy of community banks is about fostering relationships. The impact that community banks have on the local economy will be partially lost, as less small businesses and rural communities will require the lending from the community banks, as the ease of the community banks for these purposes will be overshadowed by the ease of online banking. This will grow the outreach of all banks, but will still hurt community banks the most in the end.

In conclusion, fintech has greatly impacted all sectors of the banking industry. Fintech has caused many benefits for consumers, but has forced banks to evolve with the new technology. The change in the industry has hurt community banks the most, as the advantage and philosophy of the banks have been lost.