UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 10-K

(Mark One)

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the fiscal year ended December 31, 2022

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 number 001-38487

Origin Bancorp, Inc.

(Exact name of registrant as specified in its charter)

Louisiana	**72-1192928**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification Number)**

500 South Service Road East
Ruston, Louisiana 71270
(318) 255-2222
(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

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

Title of Each Class	Trading Symbol(s)	Name of Exchange on which Registered
Common Stock, par value $5.00 per share	OBNK	Nasdaq Stock Market LLC

Securities Registered pursuant to Section 12(g) of the Act: None

Indicate by check mark whether the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☒ No ☐

Indicate by check mark whether the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☒

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, 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. (Check one)

Large accelerated filer	☒	Accelerated filer	☐	Non-accelerated filer	☐	Smaller reporting company	☐	Emerging growth company	☐

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 has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. Yes ☒ No ☐

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes ☐ No ☒

The aggregate market value of the voting and non-voting common equity held by non-affiliates of the Registrant was $860.9 million as of June 30, 2022, the last business day of the Registrant's most recently completed second fiscal quarter. Solely for the purpose of this computation, it has been assumed that executive officers and directors of the Registrant are "affiliates".

Indicate the number of shares outstanding of each of the issuer's classes of common stock as of the latest practicable date: 30,768,621 shares of Common Stock, par value $5.00 per share, were issued and outstanding as of February 15, 2023.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the registrant's Definitive Proxy Statement for the 2023 Annual Meeting of Stockholders of Origin Bancorp, Inc. to be held on May 10, 2023, are incorporated by reference into Part III of this Annual Report on Form 10-K to the extent stated herein. Such Definitive Proxy Statement will be filed with the Securities and Exchange Commission within 120 days after the end of the registrant's fiscal year ended December 31, 2022.

ORIGIN BANCORP, INC.

FORM 10-K

DECEMBER 31, 2022

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Cautionary Note Regarding Forward-Looking Statements

This Annual Report on Form 10-K contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Statements preceded by, followed by or that otherwise include the words "anticipates," "believes," "estimates," "expects," "foresees," "intends," "plans," "projects," and similar expressions or future or conditional verbs such as "could," "may," "might," "should," "will," and "would," or variations or negatives of such terms are generally forward-looking in nature and not historical facts, although not all forward-looking statements include the foregoing words. Forward-looking statements are not historical facts, and are based on current expectations, estimates and projections about our industry, management's beliefs and certain assumptions made by management, many of which, by their nature, are inherently uncertain and beyond our control. Accordingly, we caution you that any such forward-looking statements are not guarantees of future performance and are subject to risks, assumptions and uncertainties that are difficult to predict. Although we believe that the expectations reflected in our forward-looking statements are reasonable as of the date made, actual results may prove to be materially different from the results expressed or implied by the forward-looking statements.

There are or will be important factors that could cause our actual results to differ materially from those indicated in these forward-looking statements, including, but not limited to, the following:

- Economic uncertainty or a deterioration in economic conditions or slowdowns in economic growth in the United States generally, and particularly in the market areas in which we operate and in which our loans are concentrated, including declines in home sale volumes and financial stress on borrowers (consumers and businesses) as a result of higher interest rates or an uncertain economic environment;

- fluctuating and/or volatile interest rates, capital markets and the impact of inflation on our business and financial results, as well as the impact on our customers (including the velocity of loan repayment);

- changes in the interest rate environment may reduce interest margins;

- prepayment speeds, loan origination and sale volumes, charge-offs and loan loss provisions may vary substantially from period to period;

- global business and economic conditions and in the financial services industry, nationally and within our local market areas, including the impact of supply-chain disruptions and labor pressures;

- an increase in unemployment levels, slowdowns in economic growth and threats of recession;

- customer income, creditworthiness and confidence, spending and savings that may affect customer bankruptcies, defaults, charge-offs and deposit activity;

- the credit risk associated with the substantial amount of commercial real estate, construction and land development, and commercial loans in our loan portfolio;

- factors that can impact the performance of our loan portfolio, including real estate values and liquidity in our primary market areas, the financial health of our commercial borrowers and the success of construction projects that we finance, including any loans acquired in merger/acquisition transactions;

- natural disasters and adverse weather events (including hurricanes), acts of terrorism, an outbreak of hostilities, (including the impacts related to or resulting from Russia's military action in Ukraine, including the imposition of additional sanctions and export controls, as well as the broader impacts to financial markets and the global macroeconomic and geopolitical environments), regional or national protests and civil unrest (including any resulting branch closures or property damage), widespread illness or public health outbreaks or other international or domestic calamities, and other matters beyond our control;

- system failures, cybersecurity threats and/or security breaches and the cost of defending against them;

- the duration and impact of the coronavirus ("COVID-19") pandemic and efforts to contain its transmission, as well as the impact of the actions taken by governmental authorities to address the impact of COVID-19 on the United States economy, including, without limitation, the Coronavirus Aid, Relief and Economic Security Act (“CARES Act") and any related future economic stimulus legislation;

- the discontinuation of LIBOR (and its replacement with alternatives) could result in financial, operational, legal, reputational or compliance risks to us;
- deterioration of our asset quality;
- risks associated with widespread inflation or deflation;
- the risks of mergers, acquisitions and divestitures, including our ability to continue to identify acquisition or merger targets and successfully acquire and integrate desirable financial institutions;
- changes in the value of collateral securing our loans;
- our ability to anticipate interest rate changes and manage interest rate risk;
- the effectiveness of our risk management framework and quantitative models;
- our inability to receive dividends from our bank subsidiary and to service debt, pay dividends to our common stockholders, repurchase our shares of common stock and satisfy obligations as they become due;
- changes in our operation or expansion strategy or our ability to prudently manage our growth and execute our strategy;
- changes in management personnel;
- our ability to maintain important deposit customer relationships, our reputation or otherwise avoid liquidity risks;
- increasing costs as we grow deposits;
- operational risks associated with our business;
- increased competition in the financial services industry, particularly from regional and national institutions, as well as fintech companies, may accelerate due to the current economic environment;
- our level of nonperforming assets and the costs associated with resolving any problem loans, including litigation and other costs;
- potential claims, damages, penalties, fines and reputational damage resulting from pending or future litigation, regulatory proceedings or enforcement actions;
- risks related to environmental, social and governance ("ESG") strategies and initiatives, the scope and pace of which could alter our reputation and shareholder, associate, customer and third-party affiliations;
- our ability to comply with applicable capital and liquidity requirements, including our ability to generate liquidity internally or raise capital on favorable terms, including continued access to the debt and equity capital markets;
- changes in the utility of our non-GAAP measurements and their underlying assumptions or estimates;
- changes in the laws, rules, regulations, interpretations or policies relating to financial institutions, as well as tax, trade, monetary and fiscal matters, and the possibility that the U.S. could default on its debt obligations;
- periodic changes to the extensive body of accounting rules and best practices, may change the treatment and recognition of critical financial line items and affect our profitability;
- further government intervention in the U.S. financial system;
- compliance with governmental and regulatory requirements, including the Dodd-Frank Wall Street Reform and Consumer Protection Act and others relating to banking, consumer protection, securities and tax matters; and
- our ability to manage the risks involved in the foregoing.

The foregoing factors should not be construed as exhaustive and should be read together with the other cautionary statements included in this report. If one or more events related to these or other risks or uncertainties materialize, or if our underlying assumptions prove to be incorrect, actual results may differ materially from what we anticipate. In addition, as a result of these and other factors, our past financial performance should not be relied upon as an indication of future performance. Accordingly, you should not place undue reliance on any forward-looking statements. Any forward-looking statement speaks only as of the date on which it is made, and we do not undertake any obligation to publicly update or review any forward-looking statement, whether as a result of new information, future developments or otherwise. New risks and uncertainties emerge from time to time, and it is not possible for us to predict those events or how they may affect us. In addition, we cannot assess the impact of each factor on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements.

PART I

Item 1. Business

Our Company

Unless the context otherwise requires, references in this Annual Report on Form 10-K to "we," "us," "our," "our company," "the Company" or "Origin" refer to Origin Bancorp, Inc., a Louisiana corporation, and its consolidated subsidiaries. All references to "Origin Bank" or "the Bank" refer to Origin Bank, our wholly-owned bank subsidiary.

Origin Bancorp, Inc. is a financial holding company headquartered in Ruston, Louisiana. Our wholly owned bank subsidiary, Origin Bank, was founded in 1912 in Choudrant, Louisiana. Deeply rooted in our history is a culture committed to providing personalized, relationship banking to businesses, municipalities, and personal clients to enrich the lives of the people in the communities we serve. We provide a broad range of financial services and currently operate 59 banking centers located in Dallas/Fort Worth, East Texas, Houston, North Louisiana and Mississippi. At December 31, 2022, we had total assets of $9.69 billion, total loans held for investment ("LHFI") of $7.09 billion, total deposits of $7.78 billion and total stockholders' equity of $949.9 million.

We completed an initial public offering of our common stock in May 2018. Our common stock is listed on the Nasdaq Global Select Market under the symbol "OBNK."

We are committed to building unique client experiences through a strong culture, experienced leadership team and a focus on delivering unmatched customer service throughout Texas, Louisiana and Mississippi. Our success has been based on (1) a talented team of relationship bankers, executives and directors; (2) a diverse footprint with stable and growth-oriented markets; (3) differentiated and customized delivery and service; (4) our core deposit franchise and (5) an ability to significantly leverage our infrastructure and technology.

Successful execution of our strategic plan has produced significant growth in our franchise. Since 2005, we have enhanced our growth by integrating four bank acquisitions, entering de novo into several expansion markets, expanding our product offerings in mortgage lending and servicing as well as in insurance and private banking. We have supported our markets by hiring a number of experienced in-market bankers and banking teams. To support our growth, we have raised over $589.6 million of new Tier 1 capital since 2006, including proceeds from our initial public offering completed in May 2018, we issued subordinated notes that are treated as Tier 2 capital for regulatory purposes in 2020, and completed an all stock merger valued at $307.8 million in 2022. Through these efforts, we have successfully increased our market share in our key geographic markets.

Merger

We believe in relationship-based, community banking where a putting people first philosophy thrives. Identifying and merging with BT Holdings, Inc. ("BTH"), a Texas corporation and the registered bank holding company of BTH Bank, allowed us to merge two companies that have been passionately committed to community banking for more than 100 years and are each deeply rooted in their communities. Our merger with BTH was our only material acquisition during the previous five years.

On August 1, 2022, we completed our merger with BTH, acquiring 100% of the voting equity interests. We issued 6,794,910 shares of our common stock, and all outstanding BTH common stock options were converted into options to purchase an aggregate of 611,676 shares of Origin common stock. Based on the closing price of our common stock on July 29, 2022, of $43.07 per share, the aggregate consideration paid to holders of BTH common stock in connection with the merger was approximately $307.8 million. Goodwill of $94.5 million was recorded as a result of the transaction.

Including the effects of known purchase accounting adjustments, as of the merger date, BTH had approximately $1.85 billion in assets, $1.23 billion in net loans and $1.57 billion in deposits. BTH formerly operated its banking business from 13 locations in East Texas, Dallas and Fort Worth, each of which now operates as a banking location of Origin Bank.

Our Competitive Strengths and Banking Strategy

Organic Growth Capabilities with Strategic Acquisitions

We have historically been able to demonstrate our ability to grow our loans and deposits organically. Our team of seasoned bankers has been an important driver of our organic growth by further developing banking relationships with current and potential clients. Our relationship bankers are motivated to increase the size of their loan and deposit portfolios and generate fee income while maintaining strong credit quality. To promote our organic growth, we strategically locate banking centers within our markets and employ highly experienced relationship bankers who proactively develop valuable relationships within the communities that we serve. Through these relationships, our bankers are able to meet our customers' needs and capitalize on loan demand across a wide range of industries. This allows us to not only diversify our loan portfolio, but also focus on loans with quality credit characteristics.

We focus on generating and retaining core deposits and, in particular, noninterest-bearing deposits, as our primary funding source to support loan growth. We believe motivating our relationship bankers to generate strong core, noninterest-bearing deposit growth enhances our ability to build and strengthen client relationships and provide stable funding for future growth.

We also intend to continue pursuing selective acquisition opportunities that we expect will enhance our business model within our attractive geographic footprint and other complementary markets.

A Unique from Within Client Experience

Our mission is to passionately pursue ways to make banking and insurance more rewarding for our employees, customers, communities, and stockholders. We have a deep commitment to providing an unmatched client experience that exceeds our customers' expectations. We believe by aligning our processes, philosophy, technology, and culture; we create a seamless experience that goes beyond the transactional and becomes transformational. Trust, encouraging strong work ethic, innovation, flexibility, forward-thinking, genuine respect for others, commitment to our community, and never compromising our integrity are our values, and are the foundation of our company.

Concentration on Sound Asset Quality

We believe that asset quality is a key to long-term financial success. We seek to maintain sound asset quality by moderating credit risk, adhering to prudent lending practices and promoting a relationship-based approach to commercial and consumer banking. Our executive management team has extensive knowledge of the bank regulatory landscape, significant experience navigating interest rate and credit cycles and a long history of collaboration, which we believe may help us avoid or mitigate unforeseen losses.

Expanding Revenue Sources

We offer commercial and retail customers a wide range of products and services that provide us with a diversified revenue stream and help us to solidify customer relationships. We provide products and services that compete with large, national banks but with the personalized attention and responsiveness of a relationship-focused community bank. Our offerings include traditional retail deposits, treasury management, commercial deposits, commercial and consumer loans, mortgage origination and servicing, insurance, mobile banking and online banking. Our clients value our ability to provide the sophisticated products and services of larger banks, but with a local and agile decision-making process, a focus on building personal relationships, and a commitment to investing in the local economy and community. This allows us to build Origin Bank by focusing on low-cost core deposit relationships, high credit quality loans, and fee income generated by value-added services. It also allows us to develop strong relationships across industries, creating a diverse commercial loan portfolio.

We believe we have an attractive mix of loans and deposits. At December 31, 2022, our loans held for investment ("LHFI") portfolio was comprised of 32.9% commercial and industrial loans including mortgage warehouse loans, and 45.8% commercial real estate loans, including construction/land/land development loans. 34.1% of our total commercial real estate and construction/land/land development is owner occupied and 65.9% in non-owner occupied. At December 31, 2022, approximately 32.0% of our deposits were noninterest-bearing demand deposits, and our cost of total deposits was 0.47% for the year ended December 31, 2022.

Our Markets

We currently operate in the markets of Dallas/Fort Worth, Houston, East Texas, North Louisiana and Mississippi, all of which offer attractive combinations of diversity, growth and stability.

The Dallas/Fort Worth and Houston markets represent two of the largest and fastest-growing metropolitan areas in the country. These markets provide attractive economic environments and offer significant deposit and lending opportunities as they are home to many large and mid-size corporations across a wide range of industries that include healthcare, manufacturing, higher education, agriculture, energy, transportation and technology.

Our merger with BTH allowed us to enter the East Texas market and expand our footprint across the I-20 corridor. The merger also bolstered our presence in the Dallas/ Fort Worth market. We believe the strong reputation and commitment of both banks will provide growth in both markets and allow us to strengthen relationships in the communities we serve.

The North Louisiana markets offer a stable economic climate with lower costs associated with deposit gathering and our operational platform. Our footprint in Mississippi comprises areas of significant commercial investment and additional growth opportunities. We believe all of our markets throughout Texas, Louisiana and Mississippi provide favorable business climates and continued opportunity for growth.

Our Banking Services

We are focused on delivering a broad range of relationship-driven financial services tailored to meet the needs of small and medium-sized businesses, municipalities, and retail clients. We principally operate in one business segment, community banking. We are primarily engaged in attracting deposits from individuals and businesses and using these deposits and borrowed funds to originate commercial, residential mortgage, construction and consumer loans.

We have grown our assets, deposits, and business primarily organically by building relationships through our lending products, expanding our deposit products and delivery capabilities, opening new branches, and hiring experienced bankers with existing customer relationships in our market areas.

A general discussion of the range of financial services we offer follows.

Lending Activities

We originate loans primarily secured by single and multi-family real estate, residential construction and commercial buildings. In addition, we make loans to small and mid-sized businesses, as well as to consumers for a variety of purposes. Our loan portfolio at the dates indicated was comprised as follows:

(Dollars in thousands)	December 31,	
Real estate:	**2022**	**2021**
Owner occupied commercial real estate	$ 843,006	$ 523,655
Non-owner occupied commercial real estate	1,461,672	1,169,857
Total commercial real estate	2,304,678	1,693,512
Owner occupied construction/land/land development	265,838	160,131
Non-owner occupied construction/land/land development	679,787	369,952
Total construction/land/land development	945,625	530,083
Residential real estate	1,477,538	909,739
Total real estate	4,727,841	3,133,334
Commercial and industrial	2,051,161	1,454,235
Mortgage warehouse lines of credit	284,867	627,078
Consumer loans	26,153	16,684
Total LHFI	$ 7,090,022	$ 5,231,331

Commercial Real Estate Loans and Construction/Land/Land Development Loans. We primarily originate commercial real estate loans and construction/land/land development loans that are generally secured by real estate located in our market areas. Our commercial mortgage loans are generally collateralized by first liens on real estate and amortized over 20 to 30 years, with balloon payments typically due at the end of five years. These loans are generally underwritten by addressing cash flow (debt service coverage), primary, secondary, and tertiary sources of repayment, the financial strength of any guarantor, the strength of the tenant (if any), the borrower's liquidity and leverage, management experience, ownership structure, economic conditions, industry-specific trends and collateral. Commercial real estate loans have contributed interest income of $88.2 million and $61.8 million for the years ended December 31, 2022 and 2021, respectively, while construction/land/land development loans have contributed interest income of $36.4 million and $21.9 million for the years ended December 31, 2022 and 2021, respectively.

Consumer Loans and Residential Real Estate Loans. Our consumer loan portfolio is primarily composed of secured and unsecured loans that we originate. The largest component of our consumer loan portfolio is for residential real estate purposes. We originate one-to-four family, owner-occupied residential mortgage loans generally secured by property located in our primary market areas. The majority of our residential mortgage loans consist of loans secured by owner-occupied, single-family residences. These loans are underwritten by giving consideration to the borrower's ability to pay, stability of employment or source of income, debt-to-income ratio, credit history and loan-to-value ratio. Consumer loans also include closed-end second mortgages, home equity lines of credit and our mortgage loans held for sale. Consumer and residential real estate loans have contributed interest income of $51.1 million and $38.0 million for the years ended December 31, 2022 and 2021, respectively.

Commercial and Industrial Loans. Commercial and industrial loans are made for a variety of business purposes, including working capital, inventory, equipment and capital expansion. The terms for commercial loans are generally one to seven years. Commercial loans are generally underwritten by addressing cash flow (debt service coverage), primary and secondary sources of repayment, the financial strength of any guarantor, the borrower's liquidity and leverage, management experience, ownership structure, economic conditions, industry specific trends and collateral. Commercial and industrial loans have contributed interest income of $90.5 million and $67.1 million for the years ended December 31, 2022 and 2021, respectively.

Mortgage Warehouse Loans. Mortgage warehouse loans are extended to mortgage companies and secured by loan participations in mortgages that are typically sold within 15 to 25 days. The loans are underwritten by the approved mortgage company using agency or investor guidelines. The loans are then committed to a secondary market investor and are primarily made up of agency-eligible conventional loans (Fannie Mae, Freddie Mac), government loans (Ginnie Mae, FHA loans, VA loans, USDA Rural Housing Development loans) and qualified jumbo loans. Mortgage warehouse loans have contributed interest income of $18.7 million and $27.5 million for the years ended December 31, 2022 and 2021, respectively.

Credit Risks. The principal economic risk associated with each category of loans we make is the creditworthiness of the borrower and the ability of the borrower to repay the relevant loan. Borrower creditworthiness is affected by general economic conditions, including interest rates, inflation, and in the case of commercial borrowers, demand for the borrower's products and services, and other factors affecting the borrower's customers, suppliers and employees.

Mortgage warehouse loan risk is primarily centered in the borrower’s adherence to agency or investor underwriting guidelines, while the risk associated with the underlying consumer mortgage loan repayment, as similar to other consumer loans, depends on the borrower's financial stability and are more likely than commercial loans to be adversely affected by divorce, job loss, illness and other personal hardships.

Risks associated with real estate loans also include fluctuations in the value of real estate, new job creation trends, tenant vacancy rates, economic downturns that create the need for temporary payment forbearances and, in the case of commercial borrowers, the quality of the borrower's management. Consumer loan repayments depend on the borrower's financial stability and are more likely than commercial loans to be adversely affected by divorce, job loss, illness and other personal hardships.

Lending Philosophy. Our lending philosophy is driven by our commitment to centralized underwriting for all loans, local market knowledge, long-term customer relationships and a conservative credit culture. To implement this philosophy, we have established various levels of authority and review, including our Credit Risk Management Group. In each loan review, we emphasize cash flow and secondary and tertiary repayment sources, such as guarantors and collateral. We generally avoid lending to highly cyclical industries and typically avoid making certain types of loans that we consider to be higher risk.

Lending Policies. We have established common documentation requirements and policies for each type of loan. We have also established a corporate loan committee with authority to approve loans up to the legal lending limit of Origin Bank. During 2022, credit relationships of $8.0 million or greater were generally presented to the corporate loan committee for approval or ratification of approval prior to committing to the loan. The corporate loan committee meets weekly and on an ad hoc basis as needed.

Origin Bank's board of directors reviews our lending policies and procedures at least annually. In addition, there are legal restrictions on the maximum amount of loans available for each lending relationship. Origin Bank is subject to certain legal lending limits under the Louisiana Banking Law and Federal Reserve Regulation O. At December 31, 2022, we had established a general in-house lending limit ranging between $30.0 million and $35.0 million to any one borrower, excluding mortgage warehouse lines of credit, based upon our internal risk rating of the relationship. Due to multiple sources of repayment, mortgage warehouse lines of credit have a general in-house lending limit ranging between $30.0 million and $75.0 million to any one borrower.

Deposits and Other Sources of Funds

An important aspect of our business franchise is the ability to gather deposits. At December 31, 2022, we held $7.78 billion of total deposits and have grown deposits at a compound annual growth rate of 18.8% since December 31, 2003. At December 31, 2022, 95.8% of our total deposits were core deposits (defined as total deposits excluding time deposits greater than $250,000 and brokered deposits). We offer a wide range of deposit services, including checking, savings, money market accounts and time deposits. We obtain most of our deposits from individuals, small businesses and municipalities in our market areas. At December 31, 2022, 54.2% of our deposits were business deposits, 35.6% were consumer deposits and 10.2% were public fund deposits. One area of focus has been to create a deposit-focused sales force of business development bankers who have extensive contacts and connections with targeted clients and centers of influence throughout our communities. We also have access to secondary sources of funding, including advances from the Federal Home Loan Bank of Dallas, borrowings at the Federal Reserve Discount Window and other borrowings.

Mortgage Banking

We are also engaged in the residential mortgage banking business, which primarily generates income from the sale of mortgage loans as well as the servicing of residential mortgage loans for others. We originate residential mortgage loans in our markets as a service to our existing customers and as a way to develop relationships with new customers in order to support our core banking strategy. Revenue from our mortgage banking activities was $6.7 million, $12.9 million and $29.6 million for the years ended December 31, 2022, 2021 and 2020, respectively.

Insurance

We offer a wide variety of commercial and personal property and casualty insurance products through our wholly-owned insurance subsidiary, Davison Insurance Agency, LLC, which conducts business under the trade names Lincoln Agency, LLC, Lincoln Agency Transportation Insurance, Pulley-White Insurance Agency, Reeves, Coon & Funderburg, Simoneaux & Wallace Agency and Thomas & Farr Agency. With over 30 years of growth in the insurance industry and approximately 120 experienced professionals, our agency has primary market locations across Louisiana, but also serves customers in Texas, Mississippi, Arkansas and other states across the United States. In December 2021, we acquired the remaining 62% interest in the Lincoln Agency, bringing our total ownership to 100% ownership. In addition, in December 2021, we acquired Pulley-White located in Bossier City, Louisiana, thereby solidifying our presence as one of the larger independent insurance agencies in North Louisiana. Insurance commission and fee income was $22.9 million, $13.1 million and $12.7 million for the years ended December 31, 2022, 2021 and 2020, respectively.

Other Banking Services

Given customer demand for increased convenience and account access, we offer a wide range of products and services, including 24-hour internet banking and voice response information, mobile applications, cash management, overdraft protection, direct deposit, safe deposit boxes, U.S. savings bonds, automatic account transfers, peer-to-peer electronic pay solutions and personal financial management solutions.

Information Technology Systems

We continue to make significant investments in our information technology systems for our banking operations and treasury services to enhance our capabilities to offer new products and overall customer experience, to provide scale for future growth and acquisitions, and to increase controls and efficiencies in our back-office operations. Our core data processing platform is from a nationally-recognized bank processing vendor and we leverage the capabilities of a third-party service provider in developing our network design and architecture. We also actively manage our business continuity plan. The majority of our other systems, including electronic funds transfer and transaction processing, are operated in-house. Online banking services and other public-facing web services are performed using third-party service providers. We strive to follow all recommendations outlined by the Federal Financial Institutions Examination Council and we perform regular tests of the adequacy of our contingency plans for key functions and systems.

Competition

The banking business is highly competitive, and our profitability will depend in large part on our ability to compete with other banks and nonbank financial service companies located in our markets for lending opportunities, deposit funds, financial products, bankers and acquisition targets.

We are subject to vigorous competition in all aspects of our business from banks, savings banks, savings and loan associations, finance companies, credit unions, technology companies, and other financial service providers, such as money market funds, fintech companies, brokerage firms, consumer finance companies, asset-based nonbank lenders, insurance companies and certain other non-financial entities, including retail stores which may maintain their own credit programs and certain governmental organizations which may offer more favorable financing than we can.

Many other commercial banks, savings institutions and credit unions have offices in our primary market areas. These institutions include many of the largest banks operating in Texas, Louisiana and Mississippi, including various national banks. Our competitors often have greater resources, have broader geographic markets, have higher lending limits, offer various services that we may not currently offer and make broader use of media advertising, support services and electronic technology than we do. To offset these competitive disadvantages, we depend on our reputation as having greater personal service, consistency, flexibility and the ability to make credit and other business decisions quickly.

Human Capital Management

At December 31, 2022, we had 1,011 full-time equivalent employees, who benefit from a variety of initiatives designed to retain, grow, and develop them in becoming the best versions of themselves. At Origin, our culture has always been the foundation of our success. We work to define our culture in everything we do. It is in our attitudes, our diversity, our core values; it is in our interactions with our customers and communities. Culture is the soul of who we are as a company, and it starts with our employees.

Safe Work Environment

Throughout our history, we have been committed to employee and customer health and safety. This focus was magnified with the impact of COVID-19 and employee and customer health and safety continues to be one of our top priorities. While COVID-19 variants have evolved and changed our support of our employees and customer health has remained unwavering. During the pandemic, we expanded our work from home ("WFH") capabilities in order to allow our employees to better serve our customers while putting safety first, and this option has allowed smooth operations while variants of the virus ebb and flow.

Compensation and Benefits

We provide competitive compensation and benefits in order to attract and retain top talent. In addition to base pay and stock awards, we have several incentive programs that are designed to link performance to pay and drive results towards the achievement of overall corporate goals. We also provide a myriad of benefits through programs such as DreamManager®, Health and Wellness coaching, Leadership Academies, Financial Wellness Initiatives, and Project Enrich, as detailed below.

Employee Engagement

Our Dream Manager® program assists our employees in meeting their own personal and professional goals in addition to helping them improve physically, emotionally, intellectually, and spiritually. Over 250 employees have participated in this program since 2019. We launched a nationally-recognized financial wellness program ("SmartDollar") during 2021 that is designed to assist our employees in becoming debt-free and saving money for emergencies and retirement, empowering them to become better financially prepared for their future, which during 2022, had an over 40% participation rate. Due to our adoption rate, we won a national award in 2021 from the Dave Ramsey Foundation called the "Vision" award. Also in 2021, we hired a certified Holistic Health Coach to spearhead our Health & Wellness initiatives. In addition to providing health and wellness information on a regular basis to all employees, we currently have approximately 10% of our employees working directly with our Health Coach on a personalized basis to meet their desire to be healthier. Additionally, in one specific initiative designed to help the communities we serve, our Project Enrich program provides employees with up to twenty hours of paid time off to volunteer in their communities. In 2022, the employees of Origin volunteered 2,874 hours in the community during bank time, not including many more on personal time.

Employee Feedback

Employee feedback is highly valued at Origin and our employees provide anonymous input via quarterly surveys facilitated by Glint, a LinkedIn company. Our employees consistently rank Origin in the top 10% of Glint's global customer base with regard to employee engagement. We regularly receive hundreds of written comments each quarter that in turn are used to improve processes, policies, or programs in an effort to show tangible affirmation of those comments. We also have continued a practice that was implemented at the beginning of the pandemic called "The Origin Insider". This webinar event occurs monthly and features speakers (internal and external) for our employees on a wide range of topics promoting, among other things, employee engagement and satisfaction. The employees are able to submit questions for the speakers in advance of the webinar.

Talent Development

Talent development at Origin begins with our comprehensive recruitment program and continues throughout the employee life cycle. Beginning in 2021 and continuing throughout 2022, we implemented the Giving Interns Valuable Experience (g.i.v.e.) program, and welcomed a very diverse (both in gender and race) group of 27 interns from 17 different universities. The program was successful at promoting Origin's brand and resulted in strong experiential feedback while also creating job opportunities for four of the 27 interns during 2021 and 2022.

We utilize assessment tools and provide multiple resources and venues, such as our Career Development Center, for employees to determine what career path is the best fit for them in order to help them grow and enhance their promotional opportunities. We also provide advanced leadership development via our Leadership Academy classes, which provide structured training, collaboration with other aspiring leaders throughout the organization, and mentoring relationships. In addition, we provide a senior-level two-year class called the Origin Leadership Academy, which focuses on the development of next-generation executives. Participants in the Origin Leadership Academy are appointed by senior management. Further, all employees are eligible to apply for participation in the “Emerging Leaders Council”, which is a one-year program designed to train and develop emerging leaders in our organization. Beginning in 2021, we implemented a program called “Career Manager” which provides young professionals within our organization one-on-one time with senior leaders to enhance their career aspirations and accelerate their understanding of the business of banking. This program also helps with employee retention. The pilot class included five individuals who all graduated from the program and currently four individuals are in the program. We find benefit in developing our future leaders from within and succession plans are in place for senior level positions as well as many other key leadership positions.

Diversity & Inclusion

At Origin, one of our core values is, *genuine respect for yourself and others*. This value makes the support of diversity, equity and inclusion a natural fit for our culture and essential to the way we conduct business, foster individual and team enrichment, and participate in our communities. We believe it is only with a diverse, equitable, and inclusive workplace that the organization can truly perform at its best, carry out its vision, and make a difference in the communities we serve. We believe all employees should be given opportunities to perform to their full potential, knowing their performance will be measured and rewarded fairly.

In 2023, Origin Bank announced our newly formed Diversity Council, which consists of 18 diverse employees that will collectively advance our Diversity, Equity, and Inclusion efforts in a way that makes a difference within our workplace and in the communities we serve.

In order to support and enhance our culture, the Company’s talent acquisition team attends job fairs that attract ethnically and culturally diverse employees. We also have engaged a third-party workforce development company that utilizes a connected system of job recruiting sites that post our employment opportunities with various groups that include, but are not limited to the following: veterans, LGBTQ-identifying individuals, individuals with disabilities, minorities and women, professional and industry organizations, skilled trade associations and college students. Also, we have a formal internship program that is designed to develop a strong pool of diverse candidates through on-campus recruiting with local colleges and universities including local Historically Black Colleges and Universities. Additionally, all employees participate in diversity training and managers have additional, in-depth training on recognizing unconscious biases and access to brand new micro learning lessons every week to help respond to current needs around diversity and inclusion.

Also, we recently introduced VIBE Central in Workday. VIBE stands for Value, Inclusion, Belonging and Equity. This allows senior leaders in our organization to set goals and monitor progress by assessing, measuring, benchmarking, and managing diversity and inclusion by the dimensions of their choice, such as race/ethnicity and gender.

Origin has been recognized as a “Best Bank to Work For” by *American Banker* magazine for ten consecutive years and was named the 2nd "Best Bank to Work For" in America in 2022, which we believe is attributable to our deep commitment to corporate culture, and our focus on initiatives to support and develop our employees. This ranking is based on feedback from surveys given directly to the *American Banker* magazine from our employees. We have built our success on valued relationships beginning with our employees, who then build long-term, customer-focused relationships throughout our footprint.

None of our employees are represented by any collective bargaining unit or are parties to a collective bargaining agreement. We believe that our relations with our employees are good.

Corporate Information

We were organized as a business corporation in 1991 under the laws of the state of Louisiana. Our principal executive offices are located at 500 South Service Road East, Ruston, Louisiana 71270, and our telephone number is (318) 255-2222. Our website is www.origin.bank. We make available at this address, free of charge, our Annual Report on Form 10-K, our annual reports to stockholders, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended ("Exchange Act"), as soon as reasonably practicable after such material is electronically filed with, or furnished to, the Securities and Exchange Commission ("SEC"). These documents are also available on the SEC's website at www.sec.gov. The information contained on, or accessible from, our website does not constitute a part of this Annual Report on Form 10-K and is not incorporated by reference herein.

Supervision, Regulation and Other Factors

We are extensively regulated under federal and state law. The following is a brief summary that does not purport to be a complete description of all regulations that affect us or all aspects of those regulations. This discussion is qualified in its entirety by reference to the particular statutory and regulatory provisions described below and is not intended to be an exhaustive description of the statutes or regulations applicable to the Company’s and Origin Bank’s business. In addition, proposals to change the laws and regulations governing the banking industry are frequently raised at both the state and federal levels. The likelihood and timing of any changes in these laws and regulations, and the impact such changes may have on us and Origin Bank, are difficult to predict. Regulatory agencies may issue enforcement actions, policy statements, interpretive letters and similar written guidance applicable to us or to Origin Bank. Changes in applicable laws, regulations or regulatory guidance, or their interpretation by regulatory agencies or courts may have a material adverse effect on our and Origin Bank’s business, operations, and earnings.

Origin Bank, and in some cases, we and our nonbank affiliates, must undergo regular examinations by the appropriate regulatory agency, which will examine for adherence to a range of legal and regulatory compliance responsibilities. A bank regulator conducting an examination has complete access to the books and records of the examined institution. The results of the examination are confidential. Supervision and regulation of banks, their holding companies and affiliates is intended primarily for the protection of depositors and clients, the Deposit Insurance Fund (the “DIF”) of the FDIC, and the U.S. banking and financial system rather than holders of our securities.

Regulation of the Company

We are registered as a bank holding company with the Board of Governors of the Federal Reserve System (the “Federal Reserve”) under the Bank Holding Company Act, as amended (the “BHC Act”) and have elected to be treated as a financial holding company. As such, we are subject to comprehensive supervision and regulation by the Federal Reserve and are subject to its regulatory reporting requirements. Federal law subjects bank holding companies, such as the Company, to restrictions on the types of activities in which they may engage, and to a range of supervisory requirements. In addition, the Louisiana Office of Financial Institutions (the “OFI”) regulates bank holding companies that own Louisiana-chartered banks, such as us, under the bank holding company laws of the State of Louisiana. Various federal and state bodies regulate and supervise our non-bank activities including our insurance agency activities. These include, but are not limited to, various state regulators of insurance activities.

Violations of laws and regulations, or other unsafe and unsound practices, may result in regulatory agencies imposing fines or penalties, cease and desist orders, or taking other enforcement actions. Under certain circumstances, these agencies may enforce these remedies directly against officers, directors, employees and other parties participating in the affairs of a bank or bank holding company. Like all bank holding companies, we are regulated extensively under federal and state law. Under federal and state laws and regulations pertaining to the safety and soundness of insured depository institutions, state banking regulators, the Federal Reserve, and separately the FDIC as the insurer of bank deposits, have the authority to compel or restrict certain actions on our part if they determine that we have insufficient capital or other resources, or are otherwise operating in a manner that may be deemed to be inconsistent with safe and sound banking practices. Under this authority, our regulators can require us or our subsidiaries to enter into informal or formal supervisory agreements, including board resolutions, memoranda of understanding, written agreements and consent or cease and desist orders, pursuant to which we would be required to take identified corrective actions to address cited concerns and to refrain from taking certain actions.

If we become subject to and are unable to comply with the terms of any regulatory actions or directives, supervisory agreements, or orders, then we could become subject to additional, heightened supervisory actions and orders, possibly including prompt corrective action restrictions and/or other regulatory actions, including prohibitions on the payment of dividends on our common stock and preferred stock. If our regulators were to take such supervisory actions, then we could, among other things, become subject to significant restrictions on our ability to develop any new business, as well as restrictions on our existing business, and we could be required to raise additional capital, dispose of certain assets and liabilities within a prescribed period of time, or both. The terms of any such action could have a material negative effect on our business, reputation, operating flexibility, financial condition, and the value of our securities.

Activity Limitations

As a financial holding company, we are permitted to engage directly or indirectly in a broader range of activities than those permitted for a bank holding company that has not elected to be a financial holding company. Bank holding companies are generally restricted to engaging in the business of banking, managing or controlling banks and certain other activities determined by the Federal Reserve to be closely related to banking. Financial holding companies may also engage in activities that are considered to be financial in nature, as well as those incidental or, if determined by the Federal Reserve, complementary to financial activities. We rely on our financial holding company status to engage in insurance agency activities.

If Origin Bank ceases to be “well capitalized” or “well managed” under applicable regulatory standards, or if Origin Bank receives a rating of less than satisfactory under the Community Reinvestment Act, the Federal Reserve may, among other things, place limitations on our ability to conduct these broader financial activities or, if the deficiencies persist, require us to divest the banking subsidiary or the businesses engaged in activities permissible only for financial holding companies.

In addition, the Federal Reserve has the power to order a bank holding company or its subsidiaries to terminate any nonbanking activity or terminate its ownership or control of any nonbank subsidiary, when it has reasonable cause to believe that continuation of such activity or such ownership or control constitutes a serious risk to the financial safety, soundness, or stability of any bank subsidiary of that bank holding company. As further described below, each of the Company and Origin Bank is well-capitalized under applicable regulatory standards as of December 31, 2022, and Origin Bank has an overall rating of “Satisfactory” in its most recent CRA evaluation.

Source of Strength Obligations

A bank holding company, such as us, is required to act as a source of financial and managerial strength to its subsidiary bank. The term “source of financial strength” means the ability of a company, such as us, that directly or indirectly owns or controls an insured depository institution, such as Origin Bank, to provide financial assistance to such insured depository institution in the event of financial distress. The appropriate federal banking agency for the depository institution (in the case of Origin Bank, this agency is the Federal Reserve) may require reports from us to assess our ability to serve as a source of strength and to enforce compliance with the source of strength requirements by requiring us to provide financial assistance to Origin Bank in the event of financial distress. If we were to enter bankruptcy or become subject to the orderly liquidation process established by the Dodd-Frank Act, any commitment by us to a federal bank regulatory agency to maintain the capital of Origin Bank would be assumed by the bankruptcy trustee or the FDIC, as appropriate, and entitled to a priority of payment. In addition, the FDIC provides that any insured depository institution generally will be liable for any loss incurred by the FDIC in connection with the default of, or any assistance provided by the FDIC to, a commonly controlled insured depository institution. Origin Bank is an FDIC-insured depository institution and thus subject to these requirements.

Acquisitions

The BHC Act permits acquisitions of banks by bank holding companies, such that we and any other bank holding company, whether located in Louisiana or elsewhere, may acquire a bank located in any other state, subject to certain deposit-percentage, age of bank charter requirements, and other restrictions. The BHC Act requires that a bank holding company obtain the prior approval of the Federal Reserve before (i) acquiring direct or indirect ownership or control of more than 5% of the voting shares of any additional bank or bank holding company, (ii) taking any action that causes an additional bank or bank holding company to become a subsidiary of the bank holding company, or (iii) merging or consolidating with any other bank holding company. The Federal Reserve may not approve any such transaction that would result in a monopoly or would be in furtherance of any combination or conspiracy to monopolize or attempt to monopolize the business of banking in any section of the United States, or the effect of which may be substantially to lessen competition or to tend to create a monopoly in any section of the country, or that in any other manner would be in restraint of trade, unless the anticompetitive effects of the proposed transaction are clearly outweighed in the public interest by the probable effect of the transaction in meeting the convenience and needs of the community to be served. The Federal Reserve is also required to consider: (1) the financial and managerial resources of the companies involved, including pro forma capital ratios; (2) the risk to the stability of the United States banking or financial system; (3) the convenience and needs of the communities to be served, including performance under the CRA; and (4) the effectiveness of the company in combatting money laundering.

Change in Control

Federal law restricts the amount of voting stock of a bank holding company or a bank that a person may acquire without the prior approval of banking regulators. Under the Change in Bank Control Act and the regulations thereunder, a person or group must give advance notice to the Federal Reserve before acquiring control of any bank holding company, such as the Company, or before acquiring control of any FDIC-insured bank, such as Origin Bank. Upon receipt of such notice, the Federal Reserve may approve or disapprove the acquisition. The Change in Bank Control Act creates a rebuttable presumption of control if a person or group acquires the power to vote 10% or more of our outstanding common stock. The overall effect of such laws is to make it more difficult to acquire a bank holding company and a bank by tender offer or similar means than it might be to acquire control of another type of corporation. Consequently, shareholders of the Company may be less likely to benefit from the rapid increases in stock prices that may result from tender offers or similar efforts to acquire control of other companies. Investors should be aware of these requirements when acquiring shares of our stock.

Governance and Financial Reporting Obligations

We are required to comply with various corporate governance and financial reporting requirements under the Sarbanes-Oxley Act of 2002, as well as rules and regulations adopted by the SEC, the Public Company Accounting Oversight Board ("PCAOB"), and the Nasdaq. In particular, we are required to include management and independent registered public accounting firm reports on internal controls as part of our Annual Report on Form 10-K in order to comply with Section 404 of the Sarbanes-Oxley Act. We have evaluated our controls, including compliance with the SEC rules on internal controls, and have and expect to continue to spend significant amounts of time and money on compliance with these rules. Our failure to comply with these internal control rules may materially adversely affect our reputation, ability to obtain the necessary certifications to financial statements, and the values of our securities.

Volcker Rule

Section 13 of the BHC Act, commonly referred to as the “Volcker Rule,” generally prohibits banking organizations from (i) engaging in certain proprietary trading, and (ii) acquiring or retaining an ownership interest in or sponsoring a “covered fund,” all subject to certain exceptions. The Volcker Rule also specifies certain limited activities in which banking organizations may continue to engage and requires us to maintain a compliance program. Banking organizations, such as us, with $10 billion or less in total consolidated assets and with total trading assets and liabilities of less than 5% of total consolidated assets are exempt from the Volcker Rule.

Incentive Compensation

The Dodd-Frank Act required the federal banking agencies and the SEC to establish joint rules or guidelines for financial institutions with more than $1 billion in assets, such as us and Origin Bank, which prohibit incentive compensation arrangements that the agencies determine to encourage inappropriate risks by the institution. The federal banking agencies issued proposed rules in 2011 and previously issued guidance on sound incentive compensation policies. In 2016, the federal banking agencies and the SEC proposed rules that would, depending upon the assets of the institution, directly regulate incentive compensation arrangements and would require enhanced oversight and recordkeeping. As of December 31, 2022, these rules have not been implemented. Further, the capital conservation buffer described above would limit discretionary bonus payments to bank executives if the institution's regulatory capital ratios failed to exceed certain thresholds. We and Origin Bank have undertaken efforts to ensure that our incentive compensation plans do not encourage inappropriate risks, consistent with three key principles - that incentive compensation arrangements should appropriately balance risk and financial rewards, be compatible with effective controls and risk management, and be supported by strong corporate governance.

Other Regulatory Matters

We and our subsidiaries are subject to oversight by the SEC, the PCAOB, the Nasdaq, and various state securities and insurance regulators. We and our subsidiaries have from time to time received requests for information from regulatory authorities in various states, including state attorneys general, securities regulators and other regulatory authorities, concerning our business practices. Such requests are considered incidental to the normal conduct of business.

Capital Requirements

We and Origin Bank are required under federal law to maintain certain minimum capital levels based on ratios of capital to total assets and capital to risk-weighted assets. The required capital ratios are minimums, and the Federal Reserve may determine that a banking organization, based on its size, complexity or risk profile, must maintain a higher level of capital in order to operate in a safe and sound manner. Risks such as concentration of credit risks and the risk arising from non-traditional activities, as well as the institution's exposure to a decline in the economic value of its capital due to changes in interest rates, and an institution's ability to manage those risks, are important factors that are to be taken into account in assessing an institution's overall capital adequacy. The following is a brief description of the relevant provisions of these capital rules and their potential impact on our capital levels.

We and Origin Bank are subject to the following risk-based capital ratios: a CET1 risk-based capital ratio, a Tier 1 risk-based capital ratio, which includes CET1 and additional Tier 1 capital, and a total risk-based capital ratio, which includes Tier 1 and Tier 2 capital. CET1 is primarily comprised of the sum of common stock instruments and related surplus net of treasury stock plus retained earnings less certain adjustments and deductions, including with respect to goodwill, intangible assets, mortgage servicing assets and deferred tax assets subject to temporary timing differences. Additional Tier 1 capital is primarily comprised of noncumulative perpetual preferred stock. Tier 2 capital consists of instruments disqualified from Tier 1 capital, including qualifying subordinated debt and a limited amount of loan loss reserves up to a maximum of 1.25% of risk-weighted assets, subject to certain eligibility criteria. The capital rules also define the risk-weights assigned to assets and off-balance sheet items to determine the risk-weighted asset components of the risk-based capital rules, including, for example, certain "high volatility" commercial real estate, past due assets, structured securities and equity holdings.

The leverage capital ratio, which serves as a minimum capital standard, is the ratio of Tier 1 capital to quarterly average total consolidated assets net of goodwill, certain other intangible assets, and certain required deduction items. The required minimum leverage ratio for all banks and bank holding companies is 4%.

In addition, effective January 1, 2019, the capital rules required a capital conservation buffer of 2.5%, comprised of CET1, above each of the minimum risk-based capital ratio requirements (CET1, Tier 1, and total capital), which is designed to absorb losses during periods of economic stress. These buffer requirements must be met for a bank or bank holding company to be able to pay dividends, engage in share buybacks or make discretionary bonus payments to executive management without restriction.

The FDICIA, among other things, requires the federal bank regulatory agencies to take “prompt corrective action” regarding depository institutions that do not meet minimum capital requirements. FDICIA establishes five regulatory capital tiers: “well capitalized”, “adequately capitalized”, “undercapitalized”, “significantly undercapitalized”, and “critically undercapitalized”. A depository institution’s capital tier will depend upon how its capital levels compare to various relevant capital measures and certain other factors, as established by regulation. FDICIA generally prohibits a depository institution from making any capital distribution (including payment of a dividend) or paying any management fee to its holding company if the depository institution would thereafter be undercapitalized. The FDICIA imposes progressively more restrictive restraints on operations, management and capital distributions, depending on the category in which an institution is classified. Undercapitalized depository institutions are subject to restrictions on borrowing from the Federal Reserve System. In addition, undercapitalized depository institutions may not accept brokered deposits absent a waiver from the FDIC, are subject to growth limitations and are required to submit capital restoration plans for regulatory approval. A depository institution's holding company must guarantee any required capital restoration plan, up to an amount equal to the lesser of 5% of the depository institution's assets at the time it becomes undercapitalized or the amount of the capital deficiency when the institution fails to comply with the plan. Federal banking agencies may not accept a capital plan without determining, among other things, that the plan is based on realistic assumptions and is likely to succeed in restoring the depository institution's capital. If a depository institution fails to submit an acceptable plan, it is treated as if it is significantly undercapitalized.

To be well-capitalized, Origin Bank must maintain at least the following capital ratios:

- 6.5% CET1 to risk-weighted assets;
- 8.0% Tier 1 capital to risk-weighted assets;
- 10.0% Total capital to risk-weighted assets; and
- 5.0% leverage ratio.

The Federal Reserve has not yet revised the well-capitalized standard for bank holding companies to reflect the higher capital requirements imposed under the current capital rules applicable to banks. For purposes of the Federal Reserve’s Regulation Y, including determining whether a bank holding company meets the requirements to be a financial holding company, bank holding companies, such as the Company, must maintain a Tier 1 risk-based capital ratio of 6.0% or greater and a total risk-based capital ratio of 10.0% or greater to be well-capitalized. Also, the Federal Reserve may require bank holding companies, including the Company, to maintain capital ratios substantially in excess of mandated minimum levels, depending upon general economic conditions and a bank holding company’s particular condition, risk profile and growth plans.

Failure to be well-capitalized or to meet minimum capital requirements could result in certain mandatory and possible additional discretionary actions by regulators that, if undertaken, could have an adverse material effect on our operations or financial condition. Failure to meet minimum capital requirements could also result in restrictions on the Company’s or Origin Bank’s ability to pay dividends or otherwise distribute capital or to receive regulatory approval of applications or other restrictions on its growth.

In 2022, the Company’s and Origin Bank’s regulatory capital ratios were above the applicable well-capitalized standards and met the capital conservation buffer. Based on current estimates, we believe that the Company and Origin Bank will continue to exceed all applicable well-capitalized regulatory capital requirements and the capital conservation buffer in 2023. Please see *Note 18 - Capital and Regulatory Matters* in the notes to the consolidated financial statements for consolidated capital ratios of the Company and Origin Bank as of December 31, 2022.

Payment of Dividends

We are a legal entity separate and distinct from Origin Bank and our other subsidiaries. Under the laws of the State of Louisiana, we, as a business corporation, may declare and pay dividends in cash or property unless the payment or declaration would be contrary to restrictions contained in our Articles of Incorporation, or unless, after payment of the dividend, we would not be able to pay our debts when they become due in the usual course of our business or our total assets would be less than the sum of our total liabilities. In addition, we are also subject to federal regulatory capital requirements that effectively limit the amount of cash dividends that we may pay.

The primary sources of funds for our payment of dividends to our shareholders are cash on hand and dividends from Origin Bank and our non-bank subsidiaries. Various federal and state statutory provisions and regulations limit the amount of dividends that Origin Bank may pay. Origin Bank is subject to certain restrictions on dividends under federal and state laws, regulations and policies. In general, Origin Bank may pay dividends to us without the approval of the Louisiana Office of Financial Institutions so long as the amount of the dividend does not exceed the bank's net profits earned during the current year combined with its retained net profits of the immediately preceding year. The bank is required to obtain the approval of the Louisiana Office of Financial Institutions for any amount in excess of this threshold. Additionally, to pay dividends to us, under Louisiana law Origin Bank must have unimpaired surplus that equals or exceeds fifty percent of its outstanding capital stock. Further, under federal law, Origin Bank may not pay any dividend to us if it is undercapitalized or the payment of the dividend would cause it to become undercapitalized.

In addition, we and Origin Bank are subject to various general regulatory policies and requirements relating to the payment of dividends, including requirements to maintain adequate capital above regulatory minimums. The Federal Reserve has indicated that paying dividends that deplete a bank’s capital base to an inadequate level would be an unsafe and unsound banking practice. The Federal Reserve has indicated that depository institutions and their holding companies should generally pay dividends only out of current operating earnings.

Under a Federal Reserve policy adopted in 2009, the board of directors of a bank holding company must consider different factors to ensure that its dividend level is prudent relative to maintaining a strong financial position, and is not based on overly optimistic earnings scenarios, such as potential events that could affect its ability to pay, while still maintaining a strong financial position. As a general matter, the Federal Reserve has indicated that the board of directors of a bank holding company should consult with the Federal Reserve and eliminate, defer or significantly reduce the bank holding company’s dividends if:

- its net income available to shareholders for the past four quarters, net of dividends previously paid during that period, is not sufficient to fully fund the dividends;
- its prospective rate of earnings retention is not consistent with its capital needs and overall current and prospective financial condition; or
- it will not meet, or is in danger of not meeting, its minimum regulatory capital adequacy ratios.

Regulation of the Bank

Origin Bank, which is a member of the Federal Reserve System, is subject to comprehensive supervision and regulation by the Federal Reserve, and is subject to its regulatory reporting requirements, as well as supervision and regulation by the OFI. As a member bank of the Federal Reserve System, Origin Bank is required to hold stock in its district Federal Reserve Bank in an amount equal to 6% of its capital stock and surplus (half paid to acquire stock with the remainder held as a cash reserve). Member banks do not have any control over the Federal Reserve System as a result of owning the stock and the stock cannot be sold or traded. The annual dividend rate for member banks with $10 billion or less in total assets is fixed at 6%, which currently applies to us. However, the annual dividend rate for member banks with total assets in excess of $10 billion, is based on a floating dividend rate tied to10-year U.S. Treasuries with the maximum dividend rate capped at 6%.

The deposits of Origin Bank are insured by the FDIC up to applicable limits, and, accordingly, Origin Bank is also subject to certain FDIC regulations and the FDIC has backup examination authority and some enforcement powers over Origin Bank. In addition, as discussed in more detail below, Origin Bank and any other of our subsidiaries that offer consumer financial products and services are subject to regulation by the CFPB. In addition, the Dodd-Frank Act permits states to adopt consumer protection laws and regulations that are stricter than those regulations promulgated by the CFPB, and state attorneys general are permitted to enforce certain federal consumer financial protection law.

Broadly, regulations applicable to Origin Bank include limitations on loans to a single borrower and to its directors, officers and employees; restrictions on the opening and closing of branch offices; the maintenance of required capital ratios; the granting of credit under equal and fair conditions; the disclosure of the costs and terms of such credit; requirements to maintain reserves against deposits and loans; limitations on the types of investment that may be made by Origin Bank; and requirements governing risk management practices. Subject to Federal Reserve approval and certain state filing requirements, Origin Bank is permitted under federal law to branch on a de novo basis across state lines wherever the laws of that state would permit a bank chartered by that state to establish a branch.

Transactions with Affiliates and Insiders

Origin Bank is subject to restrictions on extensions of credit and certain other transactions between Origin Bank and the Company or any nonbank affiliate. Generally, these covered transactions with either the Company or any affiliate are limited to 10% of Origin Bank's capital and surplus, and all such transactions between Origin Bank and the Company and all of its nonbank affiliates combined are limited to 20% of Origin Bank's capital and surplus. Loans and other extensions of credit from Origin Bank to the Company or any affiliate generally are required to be secured by eligible collateral in specified amounts. In addition, any transaction between Origin Bank and the Company or any affiliate are required to be on an arm's length basis. Federal banking laws also place similar restrictions on certain extensions of credit by insured banks, such as Origin Bank, to their directors, executive officers and principal shareholders.

FDIC Insurance Assessments and Depositor Preference

Origin Bank's deposits are insured by the FDIC's DIF up to the limits under applicable law, which currently are set at $250,000 per depositor, per insured bank, for each account ownership category. Origin Bank is subject to FDIC assessments for its deposit insurance. The FDIC calculates quarterly deposit insurance assessments based on an institution's average total consolidated assets less its average tangible equity, and determines the applicable rate based upon a range of factors, including certain additional factors for institutions in excess of $10 billion assets. The assessment rate schedule can change from time to time, at the discretion of the FDIC, subject to certain limits.

As of June 30, 2020, the DIF reserve ratio fell to 1.30%, below the statutory minimum of 1.35%. The FDIC, as required under the Federal Deposit Insurance Act, established a plan on September 15, 2020 to restore the DIF reserve ratio to meet or exceed the statutory minimum of 1.35% within eight years. On October 18, 2022, the FDIC adopted an amended restoration plan to increase the likelihood that the reserve ratio would be restored to at least 1.35 percent by September 30, 2028. The FDIC's amended restoration plan increases the initial base deposit insurance assessment rate schedules uniformly by 2 basis points, beginning in the first quarterly assessment period of 2023. The FDIC could further increase the deposit insurance assessments for certain insured depository institutions, including Origin Bank, if the DIF reserve ratio is not restored as projected.

Insurance of deposits may be terminated by the FDIC upon a finding that the institution has engaged in unsafe and unsound practices, is in an unsafe or unsound condition to continue operations, or has violated any applicable law, regulation, rule, order or condition imposed by a bank's federal regulatory agency. In addition, the Federal Deposit Insurance Act provides that, in the event of the liquidation or other resolution of an insured depository institution, the claims of depositors of the institution, including the claims of the FDIC as subrogee of insured depositors, and certain claims for administrative expenses of the FDIC as a receiver, will have priority over other general unsecured claims against the institution, including those of the parent bank holding company.

Standards for Safety and Soundness

The Federal Deposit Insurance Act requires the federal bank regulatory agencies to prescribe, by regulation or guideline, operational and managerial standards for all insured depository institutions relating to: (1) internal controls; (2) information systems and audit systems; (3) loan documentation; (4) credit underwriting; (5) interest rate risk exposure; and (6) asset quality. The federal banking agencies have adopted regulations and Interagency Guidelines Establishing Standards for Safety and Soundness to implement these required standards. These guidelines set forth the safety and soundness standards used to identify and address problems at insured depository institutions before capital becomes impaired. Under the regulations, if a regulator determines that a bank fails to meet any standards prescribed by the guidelines, the regulator may require the bank to submit an acceptable plan to achieve compliance, consistent with deadlines for the submission and review of such safety and soundness compliance plans.

Anti-Money Laundering

A continued focus of governmental policy relating to financial institutions in recent years has been combating money laundering and terrorist financing. The USA PATRIOT Act broadened the application of anti-money laundering regulations to apply to additional types of financial institutions such as broker-dealers, investment advisors and insurance companies, and strengthened the ability of the U.S. Government to help prevent, detect and prosecute international money laundering and the financing of terrorism. The principal provisions of Title III of the USA PATRIOT Act require that regulated financial institutions, including state member banks: (i) establish an anti-money laundering program that includes training and audit components; (ii) comply with regulations regarding the verification of the identity of any person seeking to open an account; (iii) take additional required precautions with non-U.S. owned accounts; and (iv) perform certain verification and certification of money laundering risk for their foreign correspondent banking relationships. Failure of a financial institution to comply with the USA PATRIOT Act's requirements could have serious legal and reputational consequences for the institution. Origin Bank has augmented its systems and procedures to meet the requirements of these regulations and will continue to revise and update its policies, procedures and controls to reflect changes required by law.

FinCEN has adopted rules that require financial institutions to obtain beneficial ownership information with respect to legal entities with which such institutions conduct business, subject to certain exclusions and exemptions. Bank regulators are focusing their examinations on anti-money laundering compliance, and we continue to monitor and augment, where necessary, our anti-money laundering compliance programs. Banking regulators will consider compliance with the Act's money laundering provisions in acting upon merger and acquisition proposals. Bank regulators routinely examine institutions for compliance with these obligations and have been active in imposing cease and desist and other regulatory orders and money penalty sanctions against institutions found to be violating these obligations. Sanctions for violations of the Act can be imposed in an amount equal to twice the sum involved in the violating transaction, up to $1 million. On January 1, 2021, Congress passed federal legislation that made sweeping changes to federal anti-money laundering laws, including changes that will be implemented in subsequent years. On June 30, 2021, FinCEN published the first set of "national AML priorities," as required by the Bank Secrecy Act, which include, but are not limited to, cybercrime, terrorist financing, fraud, and drug/human trafficking. FinCEN is required to implement regulations to specify how covered financial institutions, such as the Company, should incorporate these national priorities into their AML programs. As of December 31, 2022, no such regulations have been proposed.

Economic Sanctions

The OFAC is responsible for helping to ensure that U.S. entities do not engage in transactions with certain prohibited parties, as defined by various Executive Orders and acts of Congress. OFAC publishes, and routinely updates, lists of names of persons and organizations suspected of aiding, harboring or engaging in terrorist acts, including the Specially Designated Nationals and Blocked Persons List. If we find a name on any transaction, account or wire transfer that is on an OFAC list, we must undertake certain specified activities, which could include blocking or freezing the account or transaction requested, and we must notify the appropriate authorities.

Concentrations in Lending

During 2006, the federal bank regulatory agencies released guidance on "Concentrations in Commercial Real Estate Lending" (the "Guidance") and advised financial institutions of the risks posed by CRE lending concentrations. The Guidance requires that appropriate processes be in place to identify, monitor and control risks associated with real estate lending concentrations. Higher allowances for loan losses and capital levels may also be required. The Guidance is triggered when CRE loan concentrations exceed either:

- Total reported loans for construction, land development, and other land of 100% or more of a bank's total risk-based capital; or
- Total reported loans secured by multifamily and nonfarm nonresidential properties and loans for construction, land development, and other land of 300% or more of a bank's total risk-based capital.

The Guidance also applies when a bank has a sharp increase in CRE loans or has significant concentrations of CRE secured by a particular property type. We have always had exposures to loans secured by CRE due to the nature of our markets and the loan needs of both consumer and commercial clients. We believe our long-term experience in CRE lending, underwriting policies, internal controls, and other policies currently in place, as well as our loan and credit monitoring and administration procedures, are generally appropriate to managing our concentrations as required under the Guidance. As of December 31, 2022, our CRE loan concentrations were below the Guidance thresholds discussed above.

Debit Interchange Fees

Debit card interchange fee restrictions set forth in the Durbin Amendment, as implemented by regulations of the Federal Reserve, cap the maximum debit interchange fee that a debit card issuer may receive per transaction. The maximum permissible interchange fee that a non-exempt issuer may receive for an electronic debit transaction is the sum of 21 cents per transaction and 5 bps multiplied by the value of the transaction, subject to an upward adjustment of 1 cent if an issuer certifies that it has implemented policies and procedures reasonably designed to achieve the fraud-prevention standards set forth by the Federal Reserve. In addition, card issuers and networks are prohibited from entering into arrangements requiring that debit card transactions be processed on a single network or only two affiliated networks and allows merchants to determine transaction routing.

Debit card issuers with total consolidated assets of less than $10 billion are exempt from these interchange fee restrictions. The exemption for small issuers ceases to apply as of July 1 of the year following the calendar year in which the debit card issuer has total consolidated assets of $10 billion or more at calendar year end.

Community Reinvestment Act

Origin Bank is subject to the provisions of the CRA, which imposes a continuing and affirmative obligation, consistent with safe and sound operation, to help meet the credit needs of entire communities where the bank accepts deposits, including low- and moderate-income neighborhoods. The Federal Reserve's assessment of Origin Bank's CRA record is made available to the public. CRA agreements with private parties must be disclosed and annual CRA reports must be made to the Federal Reserve. A bank holding company will not be permitted to become or remain a financial holding company and no new activities authorized under GLB may be commenced by a holding company or by a bank financial subsidiary if any of its bank subsidiaries received less than a "satisfactory" CRA rating in its latest CRA examination. Federal CRA regulations require, among other things, that evidence of discrimination against applicants on a prohibited basis, and illegal or abusive lending practices be considered in the CRA evaluation. Origin Bank has a rating of "Satisfactory" in its most recent CRA evaluation.

On May 5, 2022, the OCC, FRB, and FDIC issued a notice of proposed rulemaking to provide for a coordinated approach to modernize their respective CRA regulations, such that all banks will be subject to the same set of CRA rules. No final rule has been issued, but the rulemaking may affect Origin Bank's CRA compliance obligations in the future.

Privacy, Credit Reporting, and Data Security

The GLB generally prohibits disclosure of non-public consumer information to non-affiliated third parties unless the consumer has been given the opportunity to object and has not objected to such disclosure. Financial institutions are further required to disclose their privacy policies to clients annually. Financial institutions, however, will be required to comply with state law if it is more protective of consumer privacy than the GLB. The GLB also directed federal regulators to prescribe standards for the security of consumer information. Origin Bank is subject to such standards, as well as standards for notifying clients in the event of a security breach. Origin Bank utilizes credit bureau data in underwriting activities. Use of such data is regulated under the Fair Credit Reporting Act and Regulation V on a uniform, nationwide basis, including credit reporting, prescreening, and sharing of information between affiliates and the use of credit data. The Fair and Accurate Credit Transactions Act, which amended the Fair Credit Reporting Act, permits states to enact identity theft laws that are not inconsistent with the conduct required by the provisions of that Act. Clients must be notified when unauthorized disclosure involves sensitive client information that may be misused. On November 18, 2021, the federal banking agencies issued a new rule effective in 2022 that requires banks to notify their primary federal regulator within 36 hours of a "computer-security incident" that rises to the level of a "notification incident."

The federal banking regulators regularly issue guidance regarding cybersecurity intended to enhance cyber risk management standards among financial institutions. As a result, financial institutions, like the Company and Origin Bank, are expected to establish multiple lines of defense and to ensure their risk management processes address the risk posed by potential threats to the institution. A financial institution's management is expected to maintain sufficient processes to effectively respond and recover the institution's operations after a cyber-attack. A financial institution is also expected to develop appropriate processes to enable recovery of data and business operations if a critical service provider of the institution falls victim to this type of cyber-attack. Our information security protocols are designed in part to adhere to the requirements of this guidance.

State regulators have also been increasingly active in implementing privacy and cybersecurity standards and regulations. Recently, several states have adopted regulations requiring certain financial institutions to implement cybersecurity programs and providing detailed requirements with respect to these programs, including data encryption requirements. Many states have also recently implemented or modified their data breach notification and data privacy requirements. We expect this trend of state-level activity in those areas to continue and are continually monitoring developments in the states in which our clients are located.

Anti-Tying Restrictions

In general, a bank may not extend credit, lease, sell property, or furnish any services or fix or vary the consideration for them on the condition that (1) the client obtain or provide some additional credit, property, or services from or to the bank or bank holding company or their subsidiaries or (2) the client not obtain some other credit, property, or services from a competitor, except to the extent reasonable conditions are imposed to assure the soundness of the credit extended. A bank may, however, offer combined-balance products and may otherwise offer more favorable terms if a client obtains two or more traditional bank products. The law also expressly permits banks to engage in other forms of tying and authorizes the Federal Reserve Board to grant additional exceptions by regulation or order. Also, certain foreign transactions are exempt from the general rule.

Consumer Regulation

Activities of Origin Bank are subject to a variety of statutes and regulations designed to protect consumers. These laws and regulations include, among numerous other things, provisions that:

- limit the interest and other charges collected or contracted for by Origin Bank, including rules respecting the terms of credit cards and of debit card overdrafts;
- govern Origin Bank's disclosures of credit terms to consumer borrowers;
- require Origin Bank to provide information to enable the public and public officials to determine whether it is fulfilling its obligation to help meet the housing needs of the communities it serves;
- prohibit Origin Bank from discriminating on the basis of race, creed or other prohibited factors when it makes decisions to extend credit;
- govern the manner in which Origin Bank may collect consumer debts; and
- prohibit unfair, deceptive or abusive acts or practices in the provision of consumer financial products and services.

Mortgage Regulation

The CFPB adopted a rule that implements the ability-to-repay and qualified mortgage provisions of the Dodd-Frank Act (the "ATR/QM rule"), which requires lenders to consider, among other things, income, employment status, assets, payment amounts, and credit history before approving a mortgage, and provides a compliance "safe harbor" for lenders that issue certain "qualified mortgages." The ATR/QM rule defines a "qualified mortgage" to have certain specified characteristics, and generally prohibits loans with negative amortization, interest-only payments, balloon payments, or terms exceeding 30 years from being qualified mortgages. The rule also establishes general underwriting criteria for qualified mortgages, including that monthly payments be calculated based on the highest payment that will apply in the first five years of the loan and that the borrower have a total debt-to-income ratio that is less than or equal to 43%. While "qualified mortgages" will generally be afforded safe harbor status, a rebuttable presumption of compliance with the ability-to-repay requirements will attach to "qualified mortgages" that are "higher priced mortgages" (which are generally subprime loans). In addition, the securitizer of asset-backed securities must retain not less than 5% of the credit risk of the assets collateralizing the asset-backed securities, unless subject to an exemption for asset-backed securities that are collateralized exclusively by residential mortgages that qualify as "qualified residential mortgages."

The CFPB has also issued rules to implement requirements of the Dodd-Frank Act pertaining to mortgage loan origination (including with respect to loan originator compensation and loan originator qualifications) as well as integrated mortgage disclosure rules. In addition, the CFPB has issued rules that require servicers to comply with certain standards and practices with regard to: error correction; information disclosure; force-placement of insurance; information management policies and procedures; requiring information about mortgage loss mitigation options be provided to delinquent borrowers; providing delinquent borrowers access to servicer personnel with continuity of contact about the borrower’s mortgage loan account; and evaluating borrowers’ applications for available loss mitigation options. These rules also address initial rate adjustment notices for adjustable-rate mortgages, periodic statements for residential mortgage loans, and prompt crediting of mortgage payments and response to requests for payoff amounts.

The CARES Act granted certain forbearance rights and protection against foreclosure to borrowers with a “federally backed mortgage loan,” including certain first or subordinate lien loans designed principally for the occupancy of one to four families. These consumer protections continued during the COVID-19 pandemic emergency.

Non-Discrimination Policies

Origin Bank is also subject to, among other things, the provisions of the Equal Credit Opportunity Act and the Fair Housing Act, both of which prohibit discrimination based on race or color, religion, national origin, sex, and familial status in any aspect of a consumer or commercial credit or residential real estate transaction. The Department of Justice, and the federal bank regulatory agencies have issued an Interagency Policy Statement on Discrimination in Lending that provides guidance to financial institutions in determining whether discrimination exists, how the agencies will respond to lending discrimination, and what steps lenders might take to prevent discriminatory lending practices. The DOJ has increased its efforts to prosecute what it regards as violations of the ECOA and FHA.

Effect of Governmental Monetary Policies.

The commercial banking business is affected not only by general economic conditions but also by U.S. fiscal policy and the monetary policies of the Federal Reserve. Some of the instruments of monetary policy available to the Federal Reserve include changes in the discount rate on member bank borrowings, the fluctuating availability of borrowings at the "discount window" and open market operations as directed by the Federal Open Market Committee. These policies influence to a significant extent the overall growth of bank loans, investments, and deposits and the interest rates charged on loans or paid on deposits. We cannot predict the nature of future fiscal and monetary policies or the effect of these policies on our operations and activities, financial condition, results of operations, growth plans or future prospects.

LIBOR

On March 15, 2022, Congress enacted the Adjustable Interest Rate (LIBOR) Act (the “LIBOR Act”) to address references to LIBOR in contracts that (i) are governed by U.S. law; (ii) will not mature before June 30, 2023; and (iii) lack fallback provisions providing for a clearly defined and practicable replacement for LIBOR. On December 16, 2022, the FRB adopted a final rule to implement the LIBOR Act by identifying benchmark rates based on SOFR (Secured Overnight Financing Rate) that will replace LIBOR in certain financial contracts after June 30, 2023. The final rule identifies replacement benchmark rates based on SOFR to replace overnight, one-month, three-month, six-month, and 12-month LIBOR in contracts subject to the LIBOR Act.

Federal Home Loan Bank System.

Origin Bank is a member of the Federal Home Loan Bank of Dallas, which is one of the 11 regional Federal Home Loan Banks composing the Federal Home Loan Bank system. The Federal Home Loan Banks make loans to their member banks in accordance with policies and procedures established by the Federal Home Loan Bank system and the boards of directors of each regional Federal Home Loan Bank. Any advances from a Federal Home Loan Bank must be secured by specified types of collateral, and all long-term advances may be obtained only for the purpose of providing funds for residential housing finance. As a member of the Federal Home Loan Bank of Dallas, Origin Bank is required to acquire and hold shares of capital stock in the Federal Home Loan Bank of Dallas. All loans, advances and other extensions of credit made by the Federal Home Loan Bank of Dallas to Origin Bank are secured by a portion of Origin Bank's mortgage loan portfolio, certain other investments and the capital stock of the Federal Home Loan Bank of Dallas held by Origin Bank.

Item 1A. Risk Factors

We face many risks and uncertainties, any one or more of which could have a material adverse effect on our business, results of operations, financial condition, prospects or the value of, or return on, an investment in our common stock. You should carefully consider the risks described below, together with all other information included and incorporated by reference in this report, including our consolidated financial statements and the related notes contained in Item 8 of this report. We believe the risks described below are material to us as of the date of this report, but these risks are not the only risks that we face. Our business, financial condition, results of operations and prospects could also be affected by additional risks that apply to all financial services companies or companies operating in the United States and our specific geographic markets, as well as other risks that are not currently known to us or that we currently consider to be immaterial to our business, financial condition, results of operations and prospects. If any of these risks actually occur, our business, results of operations, financial condition and prospects could be adversely affected. Further, to the extent that any of the information in this report constitutes forward-looking statements, the risk factors below also are cautionary statements identifying important factors that could cause actual results to differ materially from those expressed in any forward-looking statements made by us or on our behalf.

Summary

Our business is subject to a number of risks, including risks that may prevent us from achieving our business objectives or may adversely affect our business, financial condition, results of operations, cash flows and prospects. These risks are discussed more fully after the summary, and risks include, but are not limited to, the following:

- Current uncertain economic conditions (both domestic and international) pose challenges, and could adversely affect our business, financial condition and results of operations;
- Changes in interest rates could have an adverse impact on our results of operations and financial condition including decreased net interest margin, impact on loan demand, competition for, and increased cost of funding, deposits, and the value of our securities portfolio (including any losses recognized);
- We are subject to risks related to inflation, rising prices and the government and Federal Reserve response to the same;
- We may not be able to adequately measure and limit our credit risk;
- Our allowance for loan credit losses may prove to be insufficient to absorb losses inherent in our loan portfolio and our earnings could decrease;
- Negative changes in the economy affecting real estate values and liquidity could impair the value of collateral securing certain of our loans;
- The deterioration in value of receivables, inventory, equipment or other commercial collateral could expose us to credit losses;
- The geographic concentration of our markets in Texas, Louisiana and Mississippi makes us more sensitive than our more geographically diversified competitors to adverse changes in the local economy;
- Our loan portfolio contains a number of large loans to certain borrowers, and deterioration in the financial condition of these borrowers could have a significant adverse impact on our asset quality;
- We are subject to various risks associated with COVID-19;
- The loss of executive management or other key employees, as well as our ability to attract and retain profitable bankers, could adversely impact our business or reputation;
- Unauthorized access, cyber-crime and other threats to data security may cause harm to our business;

- The discontinuation of LIBOR could result in financial, operational, legal, reputational or compliance risks to us;
- We may have exposure to tax liabilities that are larger than we anticipate;
- The small to medium-sized businesses that we lend to may have fewer resources to weather adverse business developments, which may impair our borrowers' ability to repay loans;
- We face significant competition to attract and retain customers, which could impair our growth, decrease our profitability or result in loss of market share;
- Our ability to maintain our reputation is critical to the success of our business;
- Risks related to environmental, social and governance ("ESG") strategies and initiatives, the scope and pace of which could alter our reputation and shareholder, associate, customer and third-party affiliations;
- Our business has grown rapidly, and we may not be able to maintain our historical rate of growth, which could have an adverse effect on our ability to successfully implement our business strategy;
- We may pursue acquisitions or new lines of business in the future, which could expose us to financial, execution and operational risks;
- We are susceptible to environmental risks, such as hurricanes and other natural disasters, adverse weather and climate change effects;
- We have a continuing need for technological change, and we may not have the resources to effectively implement new technology, or we may experience operational challenges when implementing new technology;
- The effectiveness of derivative financial instruments and hedging activities to manage risks;
- We are subject to various liquidity risks, credit, and market risks;
- Risks related to the extensive use, reliability, disruption, and accuracy of the models and data we rely on;
- Our ability to maintain adequate internal controls over financial reporting;
- Our reliance on third parties to provide key components of our business infrastructure;
- Risks related to potential claims, damages, penalties, fines and reputational damage resulting from pending or future litigation, regulatory proceedings and enforcement actions;
- We operate in a highly regulated environment and the laws and regulations that govern our operations, including accounting policies, standards, and interpretations, could subject us to regulatory consequences;
- We are subject to stringent capital requirements, which may result in lower returns on equity, require us to raise additional capital, limit growth opportunities or result in regulatory restrictions;
- The market price of our common stock may be subject to substantial fluctuations and is subject to risk of loss; and
- Other factors and risks described under “Risk Factors” herein and in any of our subsequent reports filed with the SEC and available on our website at www.sec.gov.

Risks Related to Our Business

Current uncertain economic conditions pose challenges, and could adversely affect our business, financial condition and results of operations.

We are operating in an uncertain economic environment. The pandemic caused a global economic slowdown, and while we have seen economic recovery, continuing supply chain issues, labor shortages and inflation risk are affecting the continued recovery. Our business and operations, which primarily consist of lending money to customers in the form of loans, borrowing money from customers in the form of deposits and investing in securities, are sensitive to general business and economic conditions in the U.S. Continued economic uncertainty and a recessionary or stagnant economy could result in financial stress on our borrowers, which could adversely affect our business, financial condition and results of operations. We decreased the expense for credit losses over fiscal year 2021 as the economy began to recover, however, deteriorating conditions in the regional economies we serve, or in certain sectors of those economies, could drive losses beyond that which is provided for in our allowance for credit losses. We could also face the following risks in connection with the following events:

- inflationary pressures remained elevated throughout 2022 and are likely to continue into 2023;
- market developments and economic stagnation or slowdown may affect consumer confidence levels and may cause adverse changes in payment patterns, resulting in increased delinquencies and default rates on loans and other credit facilities;
- the processes we use to estimate the allowance for credit losses and other reserves may prove to be unreliable. Such estimates rely upon complex modeling inputs and judgments, including forecasts of economic conditions, which may be rendered inaccurate and/or no longer subject to accurate forecasting;
- our ability to assess the creditworthiness of our borrowers may be impaired if the models and approaches we use to select, manage, and underwrite loans become less predictive of future charge-offs;
- regulatory scrutiny of the industry could increase, leading to increased regulation of the industry that could lead to a higher cost of compliance, limit our ability to pursue business opportunities and increase our exposure to litigation or fines;
- ineffective monetary policy or other market conditions could cause rapid changes in interest rates and asset values that would have a materially adverse impact on our profitability and overall financial condition;
- erosion in the fiscal condition of the U.S. Treasury could lead to new taxes that would limit our ability to pursue growth and return profits to shareholders; and
- the U.S. government’s decisions regarding its debt ceiling and the possibility that the U.S. could default on its debt obligations may cause further interest rate increases, disrupt access to capital markets and deepen recessionary conditions.

If these conditions or similar ones continue to exist or worsen, we could experience adverse effects on our financial condition.

Changes in interest rates could have an adverse impact on our results of operations and financial condition.

Significant increases in market interest rates on loans, or the perception that an increase may occur, could adversely affect both our ability to originate new loans and our ability to grow. Beginning early in 2022, in response to growing signs of inflation, the Federal Reserve has increased interest rates rapidly. Further, the Federal Reserve announced an intention to take further actions to mitigate inflationary pressures. Rapid changes in interest rates may make it difficult for us to balance our loan and deposit portfolios, which may adversely affect our results of operations by, for example, reducing asset yields or spreads, or having other adverse impacts on our business. Conversely, decreases in interest rates could result in an acceleration of loan prepayments. The increased market interest rates could also adversely affect the ability of our floating-rate borrowers to meet their higher payment obligations. If this occurred, it could cause an increase in nonperforming assets and charge offs, which could adversely affect our business.

Further, our earnings and financial condition are dependent to a large degree upon net interest income, which is the difference or spread, between interest earned on interest-earning assets and interest paid on interest-bearing liabilities. When market rates of interest change, the interest we receive on our assets and the interest we pay on our liabilities may fluctuate. This can cause decreases in our spread and can adversely affect our earnings and financial condition.

Interest rates are highly sensitive to many factors including:

- The rate of inflation;
- Economic conditions;
- Federal monetary policies; and
- Stability of domestic and foreign markets.

Changes in interest rates can increase or decrease our net interest income, because different types of assets and liabilities may react differently, and at different times, to market interest rate changes. When interest-bearing liabilities mature or reprice more quickly, or to a greater degree than interest-earning assets in the same period, an increase in interest rates could reduce net interest income. Similarly, when interest-earning assets mature or reprice more quickly, or to a greater degree than interest-bearing liabilities, falling interest rates could reduce net interest income. As of December 31, 2022, our net interest income simulations projected that 100 and 200 basis point increases in interest rates would result in a positive variance in net interest income of 3.64% and 7.10%, respectively, relative to the base case over the next 12 months, while decreases in interest rates of 100 and 200 basis points would result in a negative variance in net interest income of 2.26% and 6.72%, respectively, relative to the base case over the next 12 months. These are estimates and assume that the composition of our interest sensitive assets and liabilities existing at each year-end will remain constant over the relevant twelve month measurement period and that changes in market interest rates are instant and constant across the yield curve regardless of duration of pricing characteristics of specific assets or liabilities. Changes in market values of investment securities classified as available for sale are impacted by higher rates and can negatively impact our other comprehensive (loss) income and equity levels through accumulated other comprehensive (loss) income, which includes net unrealized gains and losses on those securities. Further, such losses could be realized into earnings should liquidity and/or business strategy necessitate the sales of securities in a loss position.

Additionally, an increase in interest rates may, among other things, reduce the demand for loans and our ability to originate loans and decrease loan repayment rates. A decrease in the general level of interest rates may affect us through, among other things, increased prepayments on our loan portfolio and increased competition for deposits. Accordingly, changes in the level of market interest rates affect our net yield on interest-earning assets, loan origination volume, loan portfolio and our overall results. Moreover, although we have implemented practices we believe will reduce the potential effects of changes in interest rates on our net interest income, these practices may not always be successful. Accordingly, changes in levels of market interest rates could materially and adversely affect our net interest income and our net interest margin, asset quality, loan and lease origination volume, liquidity, and overall profitability. We cannot assure you that we can minimize our interest rate risk.

In addition, we originate residential mortgage loans for sale and for our portfolio. The origination of residential mortgage loans is highly dependent on the local real estate market and the level of interest rates. Increasing interest rates tend to reduce the origination of loans for sale and fee income, which we report as gain on sale of loans. Decreasing interest rates generally result in increased prepayments of loans and mortgage-backed securities, as borrowers refinance their debt in order to reduce their borrowing cost. This typically leads to reinvestment at lower rates than the loans or securities were paying. Changes in market interest rates could also reduce the value of our financial assets. Our financial condition and results of operations could be adversely affected if we are unsuccessful in managing the effects of changes in interest rates.

Changes in interest rates may change the value of our mortgage servicing rights portfolio, which may increase the volatility of our earnings.

As a result of our mortgage servicing business, we have a portfolio of mortgage servicing rights on unpaid principal balances of $1.90 billion at December 31, 2022. During the second half of 2022, we entered into an agreement to sell our GNMA mortgage servicing rights portfolio, which met all final sale conditions in early 2023. We sold approximately $1.8 million in GNMA mortgage servicing rights, representing $453.3 million in unpaid principal balances and derecognized the related GNMA repurchase asset and offsetting liability of $24.6 million.

A mortgage servicing right is the right to service a mortgage loan - collect principal, interest and escrow amounts - for a fee. We measure and carry our residential mortgage servicing rights using the fair value measurement method. Fair value is determined as the present value of estimated future net servicing income, calculated based on a number of variables, including assumptions about the likelihood of prepayment by borrowers.

The primary risk associated with mortgage servicing rights is that in a declining interest rate environment, they will likely lose a substantial portion of their value as a result of higher than anticipated prepayments. Moreover, if prepayments are greater than expected, the cash we receive over the life of the mortgage loans would be reduced. Conversely, these assets generally increase in value in a rising interest rate environment to the extent that prepayments are slower than previously estimated. An increase in the size of our mortgage servicing rights portfolio may increase our interest rate risk. At December 31, 2022, our mortgage servicing rights had a fair value of $20.8 million, compared to $16.2 million at December 31, 2021. Changes in fair value of our mortgage servicing rights are recorded to earnings in each period. Depending on the interest rate environment, it is possible that the fair value of our mortgage servicing rights may be reduced in the future. If such changes in fair value significantly reduce the carrying value of our mortgage servicing rights, our business, financial condition and results of operations could be adversely affected.

Inflationary pressures and rising prices may affect our results of operations and financial condition.

Inflation rose in 2022 at levels not seen for over 40 years. Inflationary pressures are likely to continue into 2023. Inflation could lead to increased costs to our customers, making it more difficult for them to repay their loans or other obligations increasing our credit risk. Sustained higher interest rates by the Federal Reserve may be needed to tame persistent inflationary price pressures, which could push down asset prices and weaken economic activity. A deterioration in economic conditions in the United States and our markets could result in an increase in loan delinquencies and non-performing assets, decreases in loan collateral values and a decrease in demand for our products and services, all of which, in turn, would adversely affect our business, financial condition and results of operations.

Changes to monetary policy by the Federal Reserve could adversely impact our results of operations.

The Federal Reserve is responsible for regulating the supply of money in the United States, including open market operations used to stabilize prices in times of economic stress, as well as setting monetary policies. These activities strongly influence our rate of return on certain investments, our hedge effectiveness for mortgage servicing and our mortgage origination pipeline, as well as our costs of funds for lending and investing, all of which may adversely impact our liquidity, results of operations, financial condition and capital position.

Unstable global economic conditions may have serious adverse consequences on our business, financial condition, and operations.

The global credit and financial markets have from time to time experienced extreme volatility and disruptions, including severely diminished liquidity and credit availability, declines in consumer confidence, declines in economic growth, increases in unemployment rates, high rates of inflation, and uncertainty about economic stability. The financial markets and the global economy may also be adversely affected by the current or anticipated impact of military conflict, including the current conflict between Russia and Ukraine, which is increasing volatility in commodity and energy prices, creating supply chain issues and causing instability in financial markets. Sanctions imposed by the United States and other countries in response to such conflict could further adversely impact the financial markets and the global economy, and any economic countermeasures by the affected countries or others could exacerbate market and economic instability. The specific consequences of the conflict in Ukraine on our business is difficult to predict at this time, but in addition to inflationary pressures affecting our operations and those of our customers and borrowers, we may also experience an increase in cyberattacks against us, our customers and borrowers, service providers and other third parties. There can be no assurance that further deterioration in markets and confidence in economic conditions will not occur. Our general business strategy may be adversely affected by any such economic downturn, volatile business environment, hostile third-party action or continued unpredictable and unstable market conditions.

We may not be able to adequately measure and limit our credit risk, which could lead to unexpected losses.

Our business depends on our ability to successfully measure and manage credit risk. As a lender, we are exposed to the risk that the principal of, or interest on, a loan will not be repaid timely or at all or that the value of any collateral supporting a loan will be insufficient to cover our outstanding exposure. In addition, we are exposed to risks with respect to the period of time over which the loan may be repaid, risks relating to proper loan underwriting, risks resulting from changes in economic and industry conditions, and risks inherent in dealing with individual loans and borrowers. The creditworthiness of a borrower is affected by many factors, including local market conditions and general economic conditions. If the overall economic climate in the United States, generally, or our market areas, specifically, experiences material disruption, our borrowers may experience difficulties in repaying their loans, the collateral we hold may decrease in value or become illiquid, and the level of nonperforming loans, charge-offs and delinquencies could rise and require significant additional provisions for credit losses. Additional factors related to the credit quality of commercial loans include the quality of the management of the business and the borrower's ability both to properly evaluate changes in the supply and demand characteristics affecting our market for products and services and to effectively respond to those changes. Additional factors related to the credit quality of commercial real estate loans include tenant vacancy rates and the quality of management of the property.

Our risk management practices, such as monitoring the concentration of our loans within specific industries and our credit approval, review and administrative practices may not adequately reduce credit risk, and our credit administration personnel, policies and procedures may not adequately adapt to changes in economic or any other conditions affecting customers and the quality of the loan portfolio. A failure to effectively measure and limit the credit risk associated with our loan portfolio may result in loan defaults, foreclosures and additional charge-offs, and may necessitate that we significantly increase our allowance for credit losses, each of which could adversely affect our net income. As a result, our inability to successfully manage credit risk could have an adverse effect on our business, financial condition and results of operations.

Our allowance for loan credit losses may prove to be insufficient to absorb losses inherent in our loan portfolio and our earnings could decrease.

Our experience in the banking industry indicates that some portion of our loans will not be fully repaid in a timely manner or at all. Accordingly, we maintain an allowance for loan credit losses that represents management's judgment of expected losses and risks inherent in our loan portfolio. The level of the allowance reflects management's continuing evaluation of general economic conditions, diversification and seasoning of the loan portfolio, historic loss experience, identified credit problems, delinquency levels and adequacy of collateral. The determination of the appropriate level of the allowance for loan credit losses is inherently highly subjective and requires us to make significant estimates of and assumptions regarding current credit risks and future trends, all of which may undergo material changes. Inaccurate management assumptions, deterioration of economic conditions affecting borrowers, new information regarding existing loans, identification of additional problem loans and other factors, both within and outside of our control, may require us to increase our allowance for loan credit losses and additional expenses may be incurred. At any time, we are likely to have loans in our portfolio that will result in losses but that have not been identified as nonperforming or potential problem credits. We cannot be certain that we will be able to identify deteriorating credits before they become nonperforming assets or that we will be able to limit or correctly estimate losses on those loans that are identified. In addition, our regulators, as an integral part of their periodic examination, review the adequacy of our allowance for loan credit losses and may direct us to make additions to the allowance based on their judgments about information available to them at the time of their examination. Changes in economic conditions or individual business or personal circumstances affecting borrowers, new information regarding existing loans, identification of additional problem loans and other factors, both within and outside of our control, may require an increase in the allowance. Further, if actual charge-offs in future periods exceed our estimation of charge-offs, we may need additional provision for loan losses to restore the adequacy of our allowance for loan losses. If we are required to materially increase our level of allowance for loan credit losses for any reason, such increases could have an adverse effect on our business, financial condition and results of operations.

Because a significant portion of our loan portfolio is comprised of real estate loans, negative changes in the economy affecting real estate values and liquidity could impair the value of collateral securing certain of our loans and result in loan and other losses.

Real estate values in many Texas, Louisiana and Mississippi markets have experienced periods of fluctuation over the last several years, and the market value of real estate can fluctuate significantly in a short period of time. At December 31, 2022, $4.73 billion, or 66.7%, of our total LHFI was comprised of loans with real estate as a primary component of collateral. We also make loans secured by real estate as a supplemental source of collateral. Adverse changes affecting real estate values and the liquidity of real estate in one or more of our markets could increase the credit risk associated with our loan portfolio, and could result in losses that adversely affect our business, financial condition, and results of operation. Negative changes in the economy affecting real estate values and liquidity in our market areas could significantly impair the value of property pledged as collateral on loans and affect our ability to sell the collateral upon foreclosure without a loss or additional losses. Collateral may have to be sold for less than the outstanding balance of the loan, which could result in losses on such loans. Such declines and losses could have an adverse effect on our business, financial condition and results of operations. If real estate values decline, it is also more likely that we would be required to increase our allowance for loan credit losses, which could have an adverse effect on our business, financial condition and results of operations.

The geographic concentration of our markets in Texas, Louisiana and Mississippi makes us more sensitive than our more geographically diversified competitors to adverse changes in the local economy.

Unlike larger financial institutions that are more geographically diversified, we are a regional bank concentrated in the Interstate 20 Corridor between the Dallas/Fort Worth metropolitan area, East Texas, North Louisiana and Jackson, Mississippi, as well as in Houston, Texas. At December 31, 2022, 66.1% of our total loans (by dollar amount), excluding mortgage warehouse lines of credit, were made to borrowers who reside or conduct business in Texas, 20.5% attributable to Louisiana and 7.3% attributable to Mississippi, and substantially all of our real estate loans are secured by properties located in these states. A deterioration in local economic conditions or in the residential or commercial real estate markets could have an adverse effect on the quality of our portfolio, the demand for our products and services, the ability of borrowers to timely repay loans, and the value of the collateral securing loans. If the population, employment or income growth in one of our markets is negative or slower than projected, income levels, deposits and real estate development could be adversely impacted. Some of our larger competitors that are more geographically diverse may be better able to manage and mitigate risks posed by adverse conditions impacting only local or regional markets.

Our commercial real estate loan portfolio exposes us to risks that may be greater than the risks related to our other mortgage loans.

Our loan portfolio includes non-owner-occupied commercial real estate loans for individuals and businesses for various purposes, which are secured by commercial properties, as well as real estate construction and development loans. At December 31, 2022, our non-owner-occupied commercial real estate loans totaled $1.46 billion, or 20.6%, of our total loan portfolio. These loans typically involve repayment dependent upon income generated, or expected to be generated, by the property securing the loan in amounts sufficient to cover operating expenses and debt service, which may be adversely affected by changes in the economy or local market conditions. These loans expose us to greater credit risk than loans secured by residential real estate because the collateral securing these loans typically cannot be liquidated as easily as residential real estate because there are fewer potential purchasers of the collateral. Additionally, non-owner-occupied commercial real estate loans generally involve relatively large balances to single borrowers or related groups of borrowers. Accordingly, charge-offs on non-owner-occupied commercial real estate loans may be larger on a per loan basis than those incurred with our residential or consumer loan portfolios. Unexpected deterioration in the credit quality of our commercial real estate loan portfolio would require us to increase our provision for loan losses, which would reduce our profitability, and could materially adversely affect our business, financial condition and results of operations.

A large portion of our loan portfolio is comprised of commercial loans secured by receivables, inventory, equipment or other commercial collateral, the deterioration in value of which could expose us to credit losses.

At December 31, 2022, approximately $2.05 billion, or 28.9%, of our total loans were commercial and industrial loans to businesses. In general, these loans are collateralized by general business assets, including, among other things, accounts receivable, inventory and equipment and many are backed by a personal guaranty of the borrower or principal. These commercial loans are typically larger in amount than loans to individuals and, therefore, have the potential for larger losses on a single loan basis. Additionally, the repayment of commercial loans is subject to the ongoing business operations of the borrower. The collateral securing such loans generally includes movable property, such as equipment and inventory, which may decline in value more rapidly than we anticipate, exposing us to increased credit risk. In addition, a portion of our customer base, including customers in the energy and real estate business, may be exposed to volatile businesses or industries which are sensitive to commodity prices or market fluctuations, such as energy prices. Accordingly, negative changes in commodity prices and real estate values and liquidity could impair the value of the collateral securing these loans. Significant adverse changes in the economy or local market conditions in which our commercial lending customers operate could cause rapid declines in loan collectability and the values associated with general business assets resulting in inadequate collateral coverage that may expose us to credit losses and could adversely affect our business, financial condition and results of operations.

Our loan portfolio contains a number of large loans to certain borrowers, and deterioration in the financial condition of these borrowers could have a significant adverse impact on our asset quality.

Our growth over the past several years has been partially attributable to our ability to originate and retain relatively large loans given our asset size. At December 31, 2022, the size of our average loan held for investment was approximately $523,987. Further, at December 31, 2022, our 20 largest borrowing relationships, excluding mortgage loans held for sale, represented 10.8% of our outstanding loan portfolio, and 12.1% of our total commitments to extend credit. Along with other risks inherent in our loans, such as the deterioration of the underlying businesses or property securing these loans, the higher average size of our loans presents a risk to our lending operations. If any of our largest borrowers become unable to repay their loan obligations as a result of economic or market conditions or personal circumstances, our nonperforming loans and our provision for loan losses could increase significantly, which could have an adverse effect on our business, financial condition and results of operations.

The ongoing COVID-19 pandemic and resulting adverse economic conditions have adversely impacted, and could continue to adversely impact, our business and results.

Our business is dependent on the willingness and ability of our customers to conduct banking and other financial transactions. The ongoing COVID-19 global and national health emergency caused significant disruption in the United States and international economies and financial markets and continues to cause illness, quarantines, reduced attendance at events and reduced travel, reduced commercial and financial activity, and overall economic and financial market instability.

While the level of disruption caused by, and the economic impact of, COVID-19 has lessened in 2022, there is no assurance that the pandemic will not worsen again, included as a result of the emergence of new strains of the virus. Any worsening of the pandemic and its effects on the economy could further impact our business, our provision and allowance for credit losses, and the value of certain assets that we carry on our consolidated balance sheets such as goodwill. Our customers, business partners, and third-party providers, including those who perform critical services for our business, may also be adversely affected.

We rely heavily on our executive management team and other key employees, and the loss of any these individuals could adversely impact our business or reputation.

Our success depends in large part on the performance of our key personnel, as well as on our ability to attract, motivate and retain highly qualified senior and middle management and other skilled employees. Competition for employees is intense, and the process of locating key personnel with the combination of skills and attributes required to execute our business plan may be lengthy. We may not be successful in retaining our key employees, and the unexpected loss of services of one or more of our key personnel could have an adverse effect on our business because of their skills, knowledge of our primary markets, years of industry experience and the difficulty of promptly finding qualified replacement personnel. If the services of any of our key personnel should become unavailable for any reason, we may not be able to identify and hire qualified persons on terms acceptable to us, or at all, which could have an adverse effect on our business, financial condition and results of operations.

Unauthorized access, cyber-crime and other threats to data security may require significant resources, harm our reputation, and otherwise cause harm to our business.

We necessarily collect, use and hold personal and financial information concerning individuals and businesses with which we have a banking relationship. This information includes non-public, personally-identifiable information that is protected under applicable federal and state laws and regulations. Additionally, certain of our data processing functions are not handled by us directly, but are outsourced to third-party providers. Our facilities and systems, and those of our third-party service providers, may be vulnerable to threats to data security, security breaches, acts of vandalism and other physical security threats, computer viruses or compromises, ransomware attacks, misplaced or lost data, programming and/or human errors or other similar events. Any security breach involving the misappropriation, loss or other unauthorized disclosure of our confidential business, employee or customer information, whether originating with us, our vendors or retail businesses, could severely damage our reputation, expose us to the risks of civil litigation and liability, require the payment of regulatory fines or penalties or undertaking of costly remediation efforts with respect to third parties affected by a security breach, disrupt our operations, and have a material adverse effect on our business, financial condition and results of operations.

It is difficult or impossible to defend against every risk being posed by changing technologies or criminals intent on committing cyber-crime. Our controls and protections and those of our vendors could prove inadequate. In the last few years, there have been an increasing number of cyber incidents and cyber criminals continue to increase their sophistication, including several well-publicized cyber-attacks that targeted other companies in the United States, including financial services companies much larger than us. These cyber incidents have been initiated from a variety of sources, including terrorist organizations and hostile foreign governments. As technology advances, the ability to initiate transactions and access data has also become more widely distributed among mobile devices, personal computers, automated teller machines, remote deposit capture sites and similar access points, some of which are not controlled or secured by us. It is possible that we could have exposure to liability and suffer losses as a result of a security breach or cyber-attack that occurred through no fault of our own. Further, the probability of a successful cyber-attack against us or one of our third-party services providers cannot be predicted.

Cyber-security risks appear to be growing and, as a result, the cyber-resilience of banking organizations is of increased importance to federal and state banking agencies and other regulators. New or revised laws and regulations may significantly impact our current and planned privacy, data protection and information security-related practices, the collection, use, sharing, retention and safeguarding of consumer and employee information, and current or planned business activities. For example, a final rule that the federal banking agencies issued in November 2021 requires banking organizations to notify their primary federal regulator of significant computer security incidents within 36 hours of determining that such an incident has occurred. Compliance with current or future privacy, data protection and information security laws to which we are subject could result in higher compliance and technology costs and could restrict our ability to provide certain products and services, which could materially and adversely affect our profitability.

Our ability to attract and retain profitable bankers is critical to the success of our business strategy.

Our ability to retain and grow our loans, deposits and fee income depends upon the business generation capabilities, reputation and relationship management skills of our bankers. If we were to lose the services of any of our bankers, including profitable bankers employed by banks that we may acquire, to a new or existing competitor or otherwise, we may not be able to retain valuable relationships and some of our customers could choose to use the services of a competitor instead of our services.

Our growth strategy also relies on our ability to attract and retain additional profitable bankers. We may face difficulties in recruiting and retaining bankers of our desired caliber, including as a result of competition from other financial institutions. In particular, many of our competitors are significantly larger with greater financial resources, and may be able to offer more attractive compensation packages and broader career opportunities. Additionally, we may incur significant expenses and expend significant time and resources on training, integration and business development before we are able to determine whether a new banker will be profitable or effective. If we are unable to attract and retain profitable bankers, or if our bankers fail to meet our expectations in terms of customer relationships and profitability, we may be unable to execute our business strategy, which could have an adverse effect on our business, financial condition and results of operations.

The discontinuation of LIBOR could result in financial, operational, legal, reputational or compliance risks to us.

On March 5, 2021, the United Kingdom's Financial Conduct Authority (the "FCA"), which regulates LIBOR, announced that (i) 24 LIBOR settings would cease to exist immediately after December 31, 2021 (all seven euro LIBOR settings; all seven Swiss franc LIBOR settings; the Spot Next, 1-week, 2-month, and 12-month Japanese yen LIBOR settings; the overnight, 1-week, 2-month, and 12-month sterling LIBOR settings; and the 1-week and 2-month US dollar LIBOR settings); (ii) the 1-month, 3-month, 6-month and 12-month US LIBOR settings would cease to exist after June 30, 2023; and (iii) the FCA would consult on whether the remaining nine LIBOR settings should continue to be published on a synthetic basis for a certain period using the FCA's proposed new powers that the UK government is legislating to grant to them. Central banks and regulators in a number of major jurisdictions (for example, United States, United Kingdom, European Union, Switzerland and Japan) have convened working groups to find, and implement the transition to, suitable replacements for interbank offered rates. Regardless, the federal banking agencies issued guidance on November 30, 2020, encouraging banks to (i) stop using LIBOR in new financial contracts no later than December 31, 2021; and (ii) either use a rate other than LIBOR or include clear language defining the alternative rate that will be applicable after LIBOR's discontinuation. We suspended the utilization of LIBOR as an index for new and renewed loans and instrument contracts as of December 31, 2021.

To address the problem created by legacy financial contracts that incorporate LIBOR as their reference interest rate, but extend beyond the date after which LIBOR will be published, on March 15, 2022, Congress enacted the Adjustable Interest Rate (LIBOR) Act (the "LIBOR Act"). On December 16, 2022, the Federal Reserve adopted a final rule implementing the LIBOR Act by adopting benchmark rates based on the Secured Overnight Financing Rate ("SOFR") that will replace LIBOR in certain financial contracts after June 30, 2023.

Given LIBOR's extensive use across financial markets, the transition away from LIBOR presents various risks and challenges to financial markets and institutions and could have a range of adverse effects on our business, financial condition and results of operations. Our commercial and consumer businesses issue, trade and hold various products that are currently indexed to LIBOR. Among other products, at December 31, 2022, we had approximately $1.07 billion of loans indexed to LIBOR. Our products that are indexed to LIBOR are significant, and if not sufficiently planned for, the discontinuation of LIBOR could result in financial, operational, legal, litigation, reputational or compliance risks to us.

The elimination of LIBOR or any other changes or reforms to the determination or supervision of LIBOR could have an adverse impact on the market for or value of any LIBOR-linked securities, loans, swaps and other financial obligations or extensions of credit held by or due to us or on our overall financial condition or results of operations. All our notes contain fallback language that allows us to replace the index in the event LIBOR becomes unavailable, or unascertainable, ceases to be published or is otherwise unreliable. We determine the replacement index in our sole discretion and can include an effective adjustment to the spread. In addition, any inadequate fallback language may result in issues establishing an alternative index and adjusting the margin as applicable. We continue to monitor this activity and evaluate the related risks. In addition, in light of the FCA's announced schedule for the cessation of LIBOR, we will continue to renegotiate credit agreements executed prior to the addition of the LIBOR fallback language and extending beyond June 30, 2023 that utilize LIBOR as a factor in determining the interest rate, in order to replace LIBOR with SOFR or another new standard that is established, which may have an adverse effect on our overall financial condition or results of operations. Following the replacement of LIBOR, some or all of these credit agreements may bear interest at a lower interest rate, which could have an adverse impact on our results of operations.

Although we are currently unable to assess what the ultimate impact of the transition from LIBOR will be, failure to adequately manage the transition could have a material adverse effect on our business, financial condition and results of operations. Any failure to adequately manage this transition process with our customers could also adversely impact our reputation.

We will be subject to heightened regulatory requirements if our total assets grow in excess of $10 billion as of December 31 of any calendar year.

As of December 31, 2022, our total assets were $9.69 billion. In addition to our current regulatory requirements, banks with $10 billion or more in total assets are, among other things: examined directly by the CFPB with respect to various federal consumer financial laws; subject to limits on debit interchange fees pursuant to Section 1075 of the Dodd-Frank Act, known as the Durbin Amendment; eligible for potentially a smaller dividend on holdings of Federal Reserve Bank stock; subject to the Volcker Rule's limitations on proprietary trading and investments or sponsorship in covered funds; subject to the large bank assessment methodology for calculating FDIC insurance premiums; and no longer eligible to elect to be subject to the CBLR. Compliance with these additional ongoing requirements may necessitate additional personnel, the design and implementation of additional internal controls, or the incurrence of other significant expenses, among other things, any of which could have a significant adverse effect on our business, financial condition or results of operations. Our regulators may also consider our preparation for compliance with these regulatory requirements in the course of examining our operations generally or when considering any request from us or the Bank.

We will become subject to reduced debit interchange income and could face related adverse business consequences if our total assets grow in excess of $10 billion as of December 31 of any calendar year.

Debit card interchange fee restrictions set forth in the Durbin Amendment, as implemented by regulations of the Federal Reserve, cap the maximum debit interchange fee that a debit card issuer may receive per transaction. Debit card issuers with total consolidated assets of less than $10 billion are exempt from these interchange fee restrictions. The exemption for small issuers ceases to apply as of July 1 of the year following the calendar year in which the debit card issuer has total consolidated assets of $10 billion or more at calendar year end. Any reduction in interchange income as a result of the loss of the exemption for small issuers under the Durbin Amendment could have a significant adverse effect on our business, financial condition and results of operations. Our interchange fees for the year ended December 31, 2022, were $7.7 million.

Moreover, our loss of eligibility under the exemption for small issuers could adversely affect or reduce our ability to maintain certain of our fee-sharing prepaid card partnerships, which have the right to terminate our agreement with respect to certain financial services under such circumstances.

We may have exposure to tax liabilities that are larger than we anticipate.

The tax laws applicable to our business activities are subject to interpretation and may change over time. From time to time, legislative initiatives, such as corporate tax rate changes, which may impact our effective tax rate and could adversely affect our deferred tax assets or our tax positions or liabilities, may be enacted. The taxing authorities in the jurisdictions in which we operate may challenge our tax positions, which could increase our effective tax rate and harm our financial position and results of operations. In addition, our future income taxes could be adversely affected by earnings being higher than anticipated in jurisdictions that have higher statutory tax rates or by changes in tax laws, regulations or accounting principles. We are subject to audit and review by U.S. federal and state tax authorities. Any adverse outcome of such a review or audit could have a negative effect on our financial position and results of operations. In addition, the determination of our provision for income taxes and other liabilities requires significant judgment by management. Although we believe that our estimates are reasonable, the ultimate tax outcome may differ from the amounts recorded in our financial statements and could have a material adverse effect on our financial results in the period or periods for which such determination is made.

The small to medium-sized businesses that we lend to may have fewer resources to weather adverse business developments, which may impair our borrowers' ability to repay loans.

We focus our business development and marketing strategy primarily on small to medium-sized businesses. Small to medium-sized businesses frequently have smaller market shares than their competition, may be more vulnerable to economic downturns, often need substantial additional capital to expand or compete and may experience substantial volatility in operating results, any of which may impair a borrower's ability to repay a loan. In addition, the success of a small and medium-sized business often depends on the management skills, talents and efforts of one or two people or a small group of people, and the death, disability or resignation of one or more of these people could have an adverse impact on the business and its ability to repay its loan. If general economic conditions negatively impact the markets in which we operate and small to medium-sized businesses are adversely affected or our borrowers are otherwise harmed by adverse business developments, this, in turn, could have an adverse effect on our business, financial condition and results of operations.

We face significant competition to attract and retain customers, which could impair our growth, decrease our profitability or result in loss of market share.

We operate in the highly competitive banking industry and face significant competition for customers from bank and nonbank competitors (including fintech companies), particularly regional and nationwide institutions, in originating loans, attracting deposits and providing other financial services. Our competitors are generally larger and may have significantly more resources, greater name recognition, and more extensive and established branch networks or geographic footprints than we do. Because of their scale, many of these competitors can be more aggressive than we can on loan and deposit pricing. Also, many of our nonbank competitors have fewer regulatory constraints and may have lower cost structures. We expect competition to continue to intensify due to financial institution consolidation; legislative, regulatory and technological changes; and the emergence of alternative banking sources.

Our ability to compete successfully will depend on a number of factors, including, among other things:

- our ability to develop, maintain and build long-term customer relationships based on top quality service, high ethical standards and safe, sound assets;
- our scope, relevance and pricing of products and services offered to meet customer needs and demands;
- the rate at which we introduce new products and services relative to our competitors;
- customer satisfaction with our level of service;
- our ability to expand our market position;
- industry and general economic trends; and
- our ability to keep pace with technological advances and to invest in new technology.

Increased competition could require us to increase the rates we pay on deposits or lower the rates we offer on loans, which could reduce our profitability. Our failure to compete effectively in our primary markets could cause us to lose market share and could have an adverse effect on our business, financial condition and results of operations.

Our ability to maintain our reputation is critical to the success of our business.

Our business plan emphasizes relationship focused banking. We have benefited from strong relationships with and among our customers. As a result, our reputation is one of the most valuable components of our business. As such, we strive to enhance our reputation by recruiting, hiring and retaining employees who share our core values of being an integral part of the communities we serve and delivering superior service to our customers. If our reputation is negatively affected by the actions of our employees or otherwise, our existing relationships may be damaged. We could lose some of our existing customers, including groups of large customers who have relationships with each other, and we may not be successful in attracting new customers. Any of these developments could have an adverse effect on our business, financial condition and results of operations.

While we carefully monitor internal and external developments for areas of potential reputational risk and have established governance structures to assist in evaluating such risks in our business practices and decisions, adverse reputational impacts on third parties with whom we have important relationships may also adversely impact our reputation. Adverse impacts on our reputation, or the reputation of our industry, may also result in greater regulatory and/or legislative scrutiny, which may lead to laws, regulations or regulatory actions that may change or constrain the manner in which we engage with our customers and the products and services we offer. Adverse reputational impacts or events may also increase our litigation risk.

Our business faces increasing public scrutiny related to environmental, social and governance ("ESG") activities. We risk damage to our brand and reputation if we fail to act responsibly in a number of areas, such as diversity, equity and inclusion ("DEI"), environmental stewardship, human capital management, support for our local communities, corporate governance and transparency, or fail to consider ESG factors in our business operations. Additionally, investors and shareholder advocates are placing ever increasing emphasis on how corporations address ESG issues in their business strategy when making investment decisions and when developing their investment theses and proxy recommendations. We may incur meaningful costs with respect to our ESG efforts and if such efforts are negatively perceived, our reputation and stock price may suffer.

Our business has grown rapidly, and we may not be able to maintain our historical rate of growth, which could have an adverse effect on our ability to successfully implement our business strategy.

Our business has grown rapidly. Financial institutions that grow rapidly can experience significant difficulties as a result of rapid growth. Furthermore, our primary strategy focuses on organic growth, supplemented by acquisitions of banking teams or other financial institutions. We may be unable to execute on aspects of our growth strategy to sustain our historical rate of growth or we may be unable to grow at all. For example, we may be unable to generate sufficient new loans and deposits within acceptable risk and expense tolerances, obtain the personnel or funding necessary for additional growth or find suitable banking teams or acquisition candidates. Various factors, such as economic conditions and competition, may impede or prohibit the growth of our operations, the opening of new branches, and the consummation of acquisitions. Further, we may be unable to attract and retain experienced bankers, which could adversely affect our growth. The success of our strategy also depends on our ability to effectively manage growth, which is dependent upon a number of factors, including our ability to adapt existing credit, operational, technology and governance infrastructure to accommodate our expanded operations. If we fail to build infrastructure sufficient to support rapid growth or fail to implement one or more aspects of our strategy, we may be unable to maintain historical earnings trends, which could have an adverse effect on our business, financial condition and results of operations. In addition, the Louisiana Office of Financial Institutions or the Federal Reserve may direct us to restrain our growth.

We may not be able to manage the risks associated with our anticipated growth and expansion through de novo branching.

Our business strategy includes evaluating strategic opportunities to grow through de novo branching, and we believe that banking location expansion has been meaningful to our growth since inception. De novo branching carries with it certain potential risks, including significant startup costs and anticipated initial operating losses; an inability to gain regulatory approval; an inability to secure the services of qualified senior management to operate the de novo banking location and successfully integrate and promote our corporate culture; poor market reception for de novo banking locations established in markets where we do not have a preexisting reputation; challenges posed by local economic conditions; challenges associated with securing attractive locations at a reasonable cost; and the additional strain on management resources and internal systems and controls. Failure to adequately manage the risks associated with our anticipated growth through de novo branching could have an adverse effect on our business, financial condition and results of operations. De novo branches require regulatory approval or non-objection, which may not be forthcoming.

Our financial condition and results of operations may be adversely affected by changes in accounting policies, standards and interpretations.

The Financial Accounting Standards Board ("FASB") and other bodies that establish accounting standards periodically change the financial accounting and reporting standards governing the preparation of our financial statements. Additionally, those bodies that establish and interpret the accounting standards (such as the FASB, SEC and banking regulators) may change prior interpretations or positions on how these standards should be applied. Changes resulting from these new standards may result in materially different financial results and may require that we change how we process, analyze and report financial information and that we change financial reporting controls.

We may pursue acquisitions in the future, which could expose us to financial, execution and operational risks.

Although we plan to continue to grow our business organically, we may, from time to time, consider acquisition opportunities that we believe complement our activities and have the ability to enhance our profitability. Our acquisition activities could be material to our business and involve a number of risks, including those associated with:

- the identification of suitable institutions or assets for acquisition;
- the diversion of management attention from the operation of our existing business to identify, evaluate and negotiate potential transactions;
- the ability to attract funding to support additional growth within acceptable risk tolerances;
- the use of inaccurate estimates and judgments to evaluate credit, operations, management and market risks with respect to the target institution or assets;
- the ability to maintain asset quality;

- the adequacy of due diligence and the potential exposure to unknown or contingent liabilities related to the acquisition;
- the retention of customers and key personnel, including bankers;
- the timing and uncertainty associated with obtaining necessary regulatory approvals;
- the incurrence of an impairment of goodwill associated with an acquisition and adverse effects on our results of operations;
- the ability to successfully integrate acquired businesses;
- litigation risk; and
- the maintenance of adequate regulatory capital.

The market for acquisition targets is highly competitive, which may adversely affect our ability to find acquisition candidates that fit our strategy and standards at acceptable prices. We face significant competition in pursuing acquisition targets from other banks and financial institutions, many of which possess greater financial, human, technical and other resources than we do. Our ability to compete in acquiring target institutions will depend on our available financial resources to fund the acquisitions, including the amount of cash and cash equivalents we have and the liquidity and value of our common stock. In addition, increased competition may also drive up the acquisition consideration that we will be required to pay in order to successfully capitalize on attractive acquisition opportunities.

Acquisitions of financial institutions also involve operational risks and uncertainties, such as unknown or contingent liabilities with no available manner of recourse, exposure to unexpected problems such as asset quality, the retention of key employees and customers, and other issues that could negatively affect our business. We may not be able to complete future acquisitions after dedicating substantial resources or, if completed, we may not be able to successfully integrate the operations, technology platforms, management, products and services of the entities that we acquire or to realize our expected benefits or our attempts to eliminate redundancies. The integration process may also require significant time and attention from our management that would otherwise be directed toward servicing existing business and developing new business. Failure to successfully integrate the entities we acquire into our existing operations in a timely manner may increase our operating costs significantly and could have an adverse effect on our business, financial condition and results of operations. Further, acquisitions typically involve the payment of a premium over book and market values and, therefore, some dilution of our book value and net income per common share may occur in connection with any future acquisition, and the carrying amount of any goodwill that we currently maintain or may acquire may be subject to impairment in future periods.

The markets in which we operate are susceptible to hurricanes and other natural disasters, adverse weather and climate change effects, which could result in a disruption of our operations and increases in loan losses.

A significant portion of our business is generated from markets that have been, and may continue to be, damaged by hurricanes, floods, tropical storms, tornadoes and other natural disasters and adverse weather, which may grow more severe as a result of climate change. Natural disasters can disrupt our operations, cause widespread property damage, and severely depress the local economies in which we operate. If the economies in our primary markets experience an overall decline as a result of a natural disaster, adverse weather, climate change or other disaster, demand for loans and our other products and services could be reduced. In addition, the rates of delinquencies, foreclosures, bankruptcies and loan losses may increase substantially, as uninsured property losses or sustained job interruption or loss may materially impair the ability of borrowers to repay their loans. Moreover, the value of real estate or other collateral that secures the loans could be materially and adversely affected by a disaster. A disaster could, therefore, result in decreased revenue and loan losses that could have an adverse effect on our business, financial condition and results of operations.

We have a continuing need for technological change, and we may not have the resources to effectively implement new technology, or we may experience operational challenges when implementing new technology.

The financial services industry is undergoing rapid technological changes with frequent introductions of new technology-driven products and services and an established and growing demand for mobile and other phone and computer banking applications. The effective use of technology increases efficiency and enables financial institutions to reduce costs as well as service our customers better. Largely unregulated "fintech" businesses have increased their participation in the lending and payments businesses, and have increased competition in these businesses. This trend is expected to continue for the foreseeable future. Our future success will depend, at least in part, upon our ability to address the needs of our customers by using technology to provide products and services that will satisfy customer demands for convenience as well as to create additional efficiencies in our operations as we continue to grow and expand our products and service offerings. We may experience operational challenges as we implement these new technology enhancements or products, which could result in us not fully realizing the anticipated benefits from such new technology or require us to incur significant costs to remedy any such challenges in a timely manner.

These changes may be more difficult or expensive than we anticipate. Many of our larger competitors have substantially greater resources to invest in technological improvements. As a result, they may be able to offer additional or superior products compared to those that we will be able to provide, which would put us at a competitive disadvantage. Accordingly, we may lose customers seeking new technology-driven products and services to the extent we are unable to provide such products and services.

New lines of business, products, product enhancements or services may subject us to additional risks.

From time to time, we implement new lines of business, or offer new products and product enhancements as well as new services within our existing lines of business, and we will continue to do so in the future. There are substantial risks and uncertainties associated with these efforts, particularly in instances where the markets are not fully developed. In implementing, developing or marketing new lines of business, products, product enhancements or services, we may invest significant time and resources, although we may not assign the appropriate level of resources or expertise necessary to make these new lines of business, products, product enhancements or services successful or to realize their expected benefits. Further, initial timetables for the introduction and development of new lines of business, products, product enhancements or services may not be achieved, and price and profitability targets may not prove feasible. External factors, such as compliance with regulations, competitive alternatives and shifting market preferences, may also impact the ultimate implementation of a new line of business or offerings of new products, product enhancements or services. Furthermore, any new line of business, product, product enhancement or service could have a significant impact on the effectiveness of our system of internal controls. Failure to successfully manage these risks in the development and implementation of new lines of business or offerings of new products, product enhancements or services could have an adverse impact on our business, financial condition or results of operations.

We are dependent on the use of data and modeling in our management's decision-making and faulty data or modeling approaches could negatively impact our decision-making ability or possibly subject us to regulatory scrutiny in the future.

The use of statistical and quantitative models and other quantitative analyses is endemic to bank decision-making, and the employment of such analyses is becoming increasingly widespread in our operations. Liquidity stress testing, interest rate sensitivity analysis, and the identification of possible violations of anti-money laundering regulations are all examples of areas in which we are dependent on models and the data that underlies them. The use of statistical and quantitative models is also becoming more prevalent in regulatory compliance. While we are not currently subject to annual Dodd-Frank Act stress testing and the Comprehensive Capital Analysis and Review submissions, we currently utilize stress testing for capital, credit and liquidity purposes and anticipate that model-derived testing may become more extensively implemented by regulators in the future.

We anticipate data-based modeling will penetrate further into bank decision-making, particularly risk management efforts, as the capacities developed to meet rigorous stress testing requirements are able to be employed more widely and in differing applications. While we believe these quantitative techniques and approaches improve our decision-making, they also create the possibility that faulty data or flawed quantitative approaches could negatively impact our decision-making ability or, if we become subject to regulatory stress-testing in the future, adverse regulatory scrutiny. We seek to mitigate this risk by performing back-testing to analyze the accuracy of these techniques and approaches. Secondarily, because of the complexity inherent in these approaches, misunderstanding or misuse of their outputs could similarly result in suboptimal decision-making. Failure to successfully manage these risks could have an adverse impact on our business, financial condition or results of operations.

We may be required to repurchase mortgage loans in some circumstances, which could diminish our liquidity.

Historically, we have originated mortgage loans for sale in the secondary market. When mortgage loans are sold in the secondary market, we are required to make customary representations and warranties to the purchasers about the mortgage loans and the manner in which they were originated. The mortgage loan sale agreements require us to repurchase or substitute mortgage loans or indemnify buyers against losses, in the event we breach these representations and warranties. In addition, we may be required to repurchase mortgage loans as a result of early payment default of the borrower on a mortgage loan. With respect to loans that are originated by us through our broker or correspondents, the remedies available against the originating broker or correspondent, if any, may not be as broad as the remedies available to a purchaser of mortgage loans against us or the originating broker or correspondent, if any, may not have the financial capacity to perform remedies that otherwise may be available. Therefore, if a purchaser enforces their remedies against us, we may not be able to recover losses from the originating broker or correspondent. If repurchase and indemnity demands increase and such demands are valid claims, it could diminish our liquidity, which could have an adverse effect on our business, financial condition and results of operations. We were not required to repurchase any material amount of mortgage loans sold into the secondary market during 2022, 2021 or 2020.

A lack of liquidity could impair our ability to fund operations.

Liquidity is essential to our business, and we monitor our liquidity and manage our liquidity risk at the holding company and bank levels daily. We rely on our ability to generate deposits and effectively manage the repayment and maturity schedules of our loans and investment securities, respectively, to ensure that we have adequate liquidity to fund our operations. An inability to raise funds through deposits, borrowings, the sale of our investment securities, the sale of loans, and other sources could have a substantial negative effect on our liquidity. Our most important source of funds is deposits. Deposit balances can decrease when customers perceive alternative investments as providing a better risk/return tradeoff. If our customers move money out of deposits and into other investments such as money market funds, we would lose a relatively low-cost source of funds, increasing our funding costs and reducing our net interest income and net income.

Other primary sources of funds consist of cash flows from operations, maturities and sales of investment securities, and proceeds from the issuance and sale of our equity and debt securities to investors. Access to liquidity may be negatively impacted by the value of our securities portfolio, if liquidity and/or business strategy necessitate the sales of securities in a loss position. Additional liquidity is provided by the ability to borrow from the Federal Reserve Bank of Dallas and the Federal Home Loan Bank of Dallas. We also may borrow funds from third-party lenders, such as other financial institutions. Our access to funding sources in amounts adequate to finance or capitalize our activities, or on terms that are acceptable to us, could be impaired by factors that affect us directly or the financial services industry or economy in general, such as disruptions in the financial markets or negative views and expectations about the prospects for the financial services industry. Our access to funding sources could also be affected by a decrease in the level of our business activity as a result of a downturn in our primary market area or by one or more adverse regulatory actions against us. In addition, our access to deposits may be affected by the liquidity and/or cash flow needs of depositors, which may be exacerbated in an inflationary, recessionary, or elevated rate environment.

Any decline in available funding could adversely impact our ability to originate loans, invest in securities, meet our expenses, or to fulfill obligations such as repaying our borrowings or meeting deposit withdrawal demands, any of which could have a material adverse impact on our liquidity and could, in turn, have an adverse effect on our business, financial condition and results of operations. In addition, because our primary asset at the holding company level is the bank, our liquidity at the holding company level depends primarily on our receipt of dividends from the bank. If the bank is unable to pay dividends to us for any reason, we may be unable to satisfy our holding company level obligations, which include funding operating expenses and debt service obligations.

We may need to raise additional capital in the future, and if we fail to maintain sufficient capital, we may not be able to maintain regulatory compliance.

We face significant capital and other regulatory requirements as a financial institution. We may need to raise additional capital in the future to provide us with sufficient capital resources and liquidity to meet our commitments and business needs, which could include the possibility of financing acquisitions. In addition, we, on a consolidated basis, and Origin Bank, on a stand-alone basis, must meet certain regulatory capital requirements and maintain sufficient liquidity in such amounts as the regulators may require from time to time. Importantly, regulatory capital requirements could increase from current levels, which could require us to raise additional capital or reduce our operations. Even if we satisfy all applicable regulatory capital minimums, our regulators could ask us to maintain capital levels which are significantly in excess of those minimums. Our ability to raise additional capital depends on conditions in the capital markets, economic conditions and a number of other factors, including investor perceptions regarding the banking industry, market conditions and governmental activities, and on our financial condition and performance. Accordingly, we cannot assure you that we will be able to raise additional capital if needed or on terms acceptable to us. If we fail to maintain capital to meet regulatory requirements, we could be subject to enforcement actions or other regulatory consequences, which could have an adverse effect on our business, financial condition and results of operation.

By engaging in derivative transactions, we are exposed to additional credit and market risk.

We use interest rate swaps to help manage our interest rate risk from recorded financial assets and liabilities when they can be demonstrated to effectively hedge a designated asset or liability and the asset or liability exposes us to interest rate risk or risks inherent in customer related derivatives. We use other derivative financial instruments to help manage other economic risks, such as liquidity and credit risk, including exposures that arise from business activities that result in the receipt or payment of future known and uncertain cash amounts, the value of which are determined by interest rates. Our derivative financial instruments are used to manage differences in the amount, timing, and duration of our known or expected cash receipts principally related to our fixed rate loan assets. Hedging interest rate risk is a complex process, requiring sophisticated models and routine monitoring, and is not a perfect science. As a result of interest rate fluctuations, hedged assets and liabilities will appreciate or depreciate in market value. The effect of this unrealized appreciation or depreciation will generally be offset by income or loss on the derivative instruments that are linked to the hedged assets and liabilities. By engaging in derivative transactions, we are exposed to credit and market risk. If the counterparty fails to perform, credit risk exists to the extent of the fair value gain in the derivative. Market risk exists to the extent that interest rates change in ways that are significantly different from what we expected when we entered into the derivative transaction. The transition away from LIBOR as the interest rate benchmark for derivatives, including interest rate swaps, also may present market risk. The existence of credit and market risk associated with our derivative instruments could adversely affect our net interest income and, therefore, could have an adverse effect on our business, financial condition and results of operations.

The fair value of our investment securities can fluctuate due to factors outside of our control.

At December 31, 2022, the fair value of our portfolio of available for sale investment securities was approximately $1.64 billion, which included a net unrealized loss of approximately $203.5 million, before taxes. The decline in the fair value of our available for sale investment securities during the year ended December 31, 2022, negatively impacted total stockholders' equity, primarily due to the steepening of the short end of the yield curve that occurred during the first three quarters of 2022. Factors beyond our control can significantly influence the fair value of securities in our portfolio and can cause potential adverse changes to the fair value of these securities. These factors include, but are not limited to, rating agency actions in respect of the securities, defaults by the issuer or with respect to the underlying securities, and changes in market interest rates and continued instability in the capital markets. Any of these factors, among others, could cause an increase in the amount of the allowance for credit losses as it pertains to available for sale or held-to-maturity debt securities, which could have an adverse effect on our business, results of operations, financial condition and future prospects. The process for determining if a security has a credit loss often requires complex, subjective judgments about whether there has been a significant deterioration in the financial condition of the issuer, whether management has the intent or ability to hold a security for a period of time sufficient to allow for any anticipated recovery in fair value, the future financial performance and liquidity of the issuer and any collateral underlying the security, and other relevant factors.

We rely on third parties to provide key components of our business infrastructure, and a failure of these parties to perform for any reason could disrupt our operations.

Third parties provide key components of our business infrastructure such as data processing, internet connections, network access, core application processing, statement production, account analysis and mortgage servicing. Our business depends on the successful and uninterrupted functioning of our information technology and telecommunications systems and third-party servicers. The failure of these systems, or the termination of a third-party software license or service agreement on which any of these systems is based, could interrupt our operations. Because our information technology and telecommunications systems interface with and depend on third-party systems, we could experience service denials if demand for such services exceeds capacity or such third-party systems fail or experience interruptions. In addition, we have engaged a third-party to administer our mortgage servicing activities through a subservicing arrangement. While we endeavor to manage and oversee our third-party vendors, these vendors may have contact with our customers and address customer complaints, which creates reputational and, potentially, regulatory risk. Replacing vendors or addressing other issues with our third-party service providers could entail significant delay and expense. If we are unable to efficiently replace ineffective service providers, or if we experience a significant, sustained or repeated, system failure or service denial, it could compromise our ability to operate effectively, damage our reputation, result in a loss of customer business, and subject us to additional regulatory scrutiny and possible financial liability, any of which could have an adverse effect on our business, financial condition and results of operations.

We are subject to environmental liability risk associated with our lending activities.

In the course of our business, we may purchase real estate, or we may foreclose on and take title to real estate. As a result, we could be subject to environmental liabilities with respect to these properties. We may be held liable to a governmental entity or to third parties for property damage, personal injury, investigation and clean-up costs incurred by these parties in connection with environmental contamination or may be required to investigate or clean up hazardous or toxic substances or chemical releases at a property. The costs associated with investigation or remediation activities could be substantial. In addition, if we are the owner or former owner of a contaminated site, we may be subject to common law claims by third parties based on damages and costs resulting from environmental contamination emanating from the property. Any significant environmental liabilities could cause an adverse effect on our business, financial condition and results of operations.

We may be subject to claims and litigation pertaining to intellectual property.

Banking and other financial services companies, such as ours, rely on technology companies to provide information technology products and services necessary to support their day-to-day operations. Technology companies frequently enter into litigation based on allegations of patent infringement or other violations of intellectual property rights. In addition, patent holding companies seek to monetize patents they have purchased or otherwise obtained. Competitors of our vendors, or other individuals or companies, may from time to time claim to hold intellectual property sold to us by our vendors. Such claims may increase in the future as the financial services sector becomes more reliant on information technology vendors. The plaintiffs in these actions frequently seek injunctions and substantial damages.

Regardless of the scope or validity of such patents or other intellectual property rights, or the merits of any claims by potential or actual litigants, we may have to engage in protracted litigation. Such litigation is often expensive, time-consuming, disruptive to our operations and distracting to management. If we are found to infringe one or more patents or other intellectual property rights, we may be required to pay substantial damages or royalties to a third party. In certain cases, we may consider entering into licensing agreements for disputed intellectual property, although no assurance can be given that such licenses can be obtained on acceptable terms or that litigation will not occur. These licenses may also significantly increase our operating expenses. If legal matters related to intellectual property claims were resolved against us or settled, we could be required to make payments in amounts that could have an adverse effect on our business, financial condition and results of operations.

We and other financial institutions have been the subject of litigation, investigations and other proceedings which could result in legal liability and damage to our reputation.

We and certain of our directors, officers and subsidiaries are named from time to time as defendants in litigation and are the subject of investigations and other proceedings relating to our business and activities. Past, present and future litigation has included or could include claims for substantial compensatory and/or punitive damages or claims for indeterminate amounts of damages. We are also involved from time to time in other reviews, investigations and proceedings (both formal and informal) by governmental, law enforcement and self-regulatory agencies regarding our business. These matters could result in adverse judgments, settlements, fines, penalties, injunctions, amendments and/or restatements of our SEC filings and/or financial statements, determinations of material weaknesses in our disclosure controls and procedures or other relief. Substantial legal liability or significant regulatory action against us, as well as matters in which we are involved that are ultimately determined in our favor, could materially adversely affect our business, financial condition or results of operations, cause significant reputational harm to our business, divert management attention from the operation of our business and/or result in additional litigation.

Banking institutions are also increasingly the target of class action lawsuits. Most recently there has been an increase in class action lawsuits filed claiming deceptive practices or violations of account terms in connection with non-sufficient funds or overdraft charges. In September 2021, we received a class action complaint alleging that we have improperly charged and collected overdraft fees on debit card transaction that were allegedly authorized while the account was positive, but settled when the account was negative or overdrafted. Similarly, in January 2023, we received a class action complaint alleging that we have improperly charged and collected non-sufficient funds fees on items re-presented for payment. We are vigorously defending these actions and monitoring activity with similar class action lawsuits. If a court rules adversely to our defense of any class action lawsuits, or if we enter into a settlement agreement in connection with any class action lawsuit, we could be exposed to monetary damages, reputational harm, or subject to limits on our ability to operate our business, which could have an adverse effect on our financial condition and operating results.

We may be adversely affected by the soundness of other financial institutions.

Our ability to engage in routine funding transactions could be adversely affected by the actions and commercial soundness of other financial institutions. Financial services companies are interrelated as a result of trading, clearing, counterparty, and other relationships. We have exposure to different industries and counterparties, and through transactions with counterparties in the financial services industry, including broker-dealers, commercial banks, investment banks, and other financial intermediaries. In addition, we participate in loans originated by other institutions, and we participate in syndicated transactions (including shared national credits) in which other lenders serve as the lead bank. As a result, defaults by, declines in the financial condition of, or even rumors or questions about, one or more financial institutions, financial service companies or the financial services industry generally, may lead to market-wide liquidity, asset quality or other problems and could lead to losses or defaults by us or by other institutions. These problems, losses or defaults could have an adverse effect on our business, financial condition and results of operations.

Risks Related to the Regulation of Our Industry

We operate in a highly regulated environment and the laws and regulations that govern our operations, corporate governance, executive compensation and accounting principles, or changes in them, or our failure to comply with them, could subject us to regulatory action or penalties.

We are subject to extensive regulation, supervision and legal requirements that govern almost all aspects of our operations. These laws and regulations are not intended to protect our stockholders. Rather, these laws and regulations are intended to protect customers, depositors, the Deposit Insurance Fund and the overall financial stability of the U.S., and not stockholders or counterparties. These laws and regulations, among other matters, prescribe minimum capital requirements, impose limitations on the business activities in which we can engage, limit the dividends or distributions that Origin Bank can pay to us, and that we can pay to our stockholders, and impose certain specific accounting requirements on us that may be more restrictive and may result in greater or earlier charges to earnings or reductions in our capital than U.S. GAAP alone would generally require. Compliance with laws and regulations can be difficult and costly, and changes to laws and regulations often impose additional compliance costs. Our failure to comply with these laws and regulations, even if the failure follows good faith effort or reflects a difference in interpretation, could subject us to restrictions on our business activities, fines and other penalties, any of which could adversely affect our results of operations, capital base and the price of our securities. Further, any new laws, rules and regulations could make compliance more difficult or expensive. All of these laws and regulations, and the supervisory framework applicable to our industry, could have a material adverse effect on our business, financial condition, and results of operations.

The Paycheck Protection Program ("PPP") has also attracted interest from federal and state enforcement authorities, oversight agencies, regulators and Congressional committees. State Attorneys General and other federal and state agencies may assert that they are not subject to the provisions of the CARES Act and the PPP regulations entitling Origin Bank to rely on borrower certifications, and they may take more aggressive actions against Origin Bank for alleged violations of the provisions governing Origin Bank’s participation in the PPP. Federal and state regulators can impose or request that we consent to substantial sanctions, restrictions and requirements if they determine there are violations of laws, rules or regulations or weaknesses or failures with respect to general standards of safety and soundness, which could adversely affect our business, reputation, results of operation and financial condition.

We are subject to stringent capital requirements, which may result in lower returns on equity, require us to raise additional capital, limit growth opportunities or result in regulatory restrictions.

Increased regulatory capital requirements (and the associated compliance costs), whether due to the adoption of new laws and regulations, changes in existing laws and regulations, or more expansive or aggressive interpretations of existing laws and regulations, may require us to raise additional capital, or impact our ability to repurchase shares of capital stock, pay dividends or pay compensation to our executives, which could have a material and adverse effect on our business, financial condition, results of operations and the value of our common stock. If Origin Bank does not meet minimum capital requirements, it will be subject to prompt corrective action by the Federal Reserve. Prompt corrective action can include progressively more restrictive constraints on operations, management and capital distributions. Failure to exceed the capital conservation buffer will result in certain limitations on dividends, capital repurchases, and discretionary bonus payments to executive officers. Even if we meet minimum capital requirements, it is possible that our regulators may ask us to raise additional capital.

We face a risk of noncompliance with the Bank Secrecy Act and other anti-money laundering statutes and regulations.

The federal Bank Secrecy Act, USA Patriot Act of 2001 and other laws and regulations require financial institutions, among other duties, to institute and maintain effective anti-money laundering programs and file suspicious activity and currency transaction reports as appropriate. The federal Financial Crimes Enforcement Network, established by the Treasury to administer the Bank Secrecy Act, is authorized to impose significant civil money penalties for violations of those requirements and has recently engaged in coordinated enforcement efforts with the individual federal bank regulatory agencies, as well as the U.S. Department of Justice, Drug Enforcement Administration and Internal Revenue Service. Federal bank regulatory agencies and state bank regulators also have begun to focus on compliance with Bank Secrecy Act and anti-money laundering regulations. If our policies, procedures and systems are deemed deficient, we would be subject to liability, including fines and regulatory actions such as restrictions on our ability to pay dividends and the necessity to obtain regulatory approvals to proceed with certain aspects of our business plan, which would negatively impact our business, financial condition and results of operations.

Failure by Origin Bank to perform satisfactorily on its Community Reinvestment Act ("CRA") evaluations could make it more difficult for our business to grow.

The performance of a bank under the CRA, in meeting the credit needs of its community is a factor that must be taken into consideration when the federal banking agencies evaluate applications related to mergers and acquisitions, as well as branch opening and relocations. If Origin Bank is unable to maintain at least a "Satisfactory" CRA rating, our ability to complete the acquisition of another financial institution or open a new branch will be adversely impacted. If Origin Bank received an overall CRA rating of less than "Satisfactory", the Federal Reserve would not re-evaluate its rating until its next CRA examination, which may not occur for several more years, and it is possible that a low CRA rating would not improve in the future.

Increases in Federal Deposit Insurance Corporation insurance premiums could adversely affect our earnings and results of operations.

The deposits of Origin Bank are insured by the FDIC up to legal limits and, accordingly, subject it to the payment of FDIC deposit insurance assessments. The bank's regular assessments are determined by the level of its assessment base and its risk classification, which is based on its regulatory capital levels and the level of supervisory concern that it poses. Moreover, the FDIC has the unilateral power to change deposit insurance assessment rates and the manner in which deposit insurance is calculated and also to charge special assessments to FDIC-insured institutions. The FDIC utilized these powers during the financial crisis for the purpose of restoring the reserve ratios of the Deposit Insurance Fund. Beginning in the first quarterly assessment period of 2023, the FDIC deposit insurance premiums were increased by two basis points. Any future special assessments, increases in assessment rates or premiums, or required prepayments in FDIC insurance premiums could reduce our profitability or limit our ability to pursue certain business opportunities, which could materially and adversely affect our business, financial condition, and results of operations.

Risks Related to Investing in Our Common Stock

The market price of our common stock may be subject to substantial fluctuations, which may make it difficult for you to sell your shares at the volume, prices and times desired.

The market price of our common stock may be highly volatile, which may make it difficult for you to resell your shares at the volume, prices and times desired. There are many factors that may impact the market price and trading volume of our common stock, including, without limitation:

- actual or anticipated fluctuations in our operating results, financial condition or asset quality;
- changes in economic or business conditions;
- the effects of, and changes in, trade, monetary and fiscal policies, including the interest rate policies of the Federal Reserve, or in laws or regulations affecting us;
- the public reaction to our press releases, our other public announcements and our filings with the SEC;
- changes in accounting standards, policies, guidance, interpretations or principles;
- the number (if any) of securities analysts covering us;
- publication of research reports about us, our competitors, or the financial services industry generally, or changes in, or failure to meet, securities analysts' estimates of our financial and operating performance, or lack of research reports by industry analysts or ceasing of coverage;
- changes in market valuations or earnings of companies that investors deem comparable to us;
- the trading volume of our common stock;
- future issuances of our common stock or other securities;
- future sales of our common stock by us or our directors, executive officers or significant stockholders;
- additions or departures of key personnel;
- perceptions in the marketplace regarding our competitors and us;
- significant acquisitions or business combinations, strategic partnerships, joint ventures or capital commitments by or involving our competitors or us;
- other economic, competitive, governmental, regulatory and technological factors affecting our operations, pricing, products and services; and
- other news, announcements or disclosures (whether by us or others) related to us, our competitors, our core market or the financial services industry.

In particular, the realization of any of the risks described in this "Risk Factors" section of this report or other unknown risks could have a material adverse effect on the market price of our common stock and cause the value of your investment to decline. The stock market and, in particular, the market for financial institution stocks have experienced substantial fluctuations in recent years, which in many cases have been unrelated to the operating performance and prospects of particular companies. In addition, significant fluctuations in the trading volume of our common stock may cause significant price variations to occur. Increased market volatility could have an adverse effect on the market price of our common stock, which could make it difficult to sell your shares at the volume, prices and times desired.

Our dividend policy may change without notice, our future ability to pay dividends is subject to restrictions, and we may not pay dividends in the future. We are dependent on dividends from the Bank to meet our financial obligations and pay dividends to our stockholders.

Holders of our common stock are entitled to receive only such cash dividends as our board of directors may declare out of funds legally available for the payment of dividends. Our board of directors may, in its sole discretion, change the amount or frequency of dividends or discontinue the payment of dividends entirely at any time without notice to our stockholders. Our ability to pay dividends may also be limited on account of our outstanding indebtedness as we generally must make payments on our junior subordinated indebtedness and our outstanding indebtedness before any dividends can be paid on our common stock.

Additionally, because our primary asset is our investment in the stock of Origin Bank, we are dependent upon dividends from the Bank to pay our operating expenses, satisfy our obligations and pay dividends on our common stock, and the Bank's ability to pay dividends on its common stock will substantially depend upon its earnings and financial condition, liquidity and capital requirements, the general economic and regulatory climate and other factors deemed relevant by its board of directors. In addition, our and the Bank's ability to declare and pay dividends depends on numerous laws and banking regulations and guidance that limit our and the Bank's ability to pay dividends, including the guidelines of the Federal Reserve regarding capital adequacy and dividends. As a consequence of these various limitations and restrictions, we may not be able to make, or may have to reduce or eliminate, the payment of dividends on our common stock. Any change in the level of our dividends or the suspension of the payment thereof could have a material adverse effect on the market price of our common stock.

An investment in our common stock is not an insured deposit and is subject to risk of loss.

Your investment in our common stock will not be a bank deposit and will not be insured or guaranteed by the FDIC or any other government agency. Your investment will be subject to investment risk, and you must be capable of affording the loss of your entire investment.

Item 1B. Unresolved Staff Comments

None.

Item 2. Properties

At December 31, 2022, our executive offices and those of Origin Bank were located at 500 South Service Road East, Ruston, Louisiana 71270 and we operated through 59 banking centers in Texas, Louisiana and Mississippi. At December 31, 2022, we had 19 banking centers in North Louisiana, 16 banking centers and two loan production offices in the Dallas-Fort Worth metroplex area, nine banking centers in East Texas, nine banking centers in the Houston metroplex, and six banking centers in the Ridgeland, Mississippi area. At December 31, 2022, Origin Bank owned its main office building and 30 of its banking centers, as well as a controlling interest in its operations center. The remaining facilities were occupied under lease agreements, the terms of which range from month to month to 30 years. We believe that our banking and other offices are in good condition and are suitable and adequate to our needs.

At December 31, 2022, our insurance holdings operated through 12 leased offices primarily located in Louisiana.

Item 3. Legal Proceedings

We are subject to various legal actions that arise from time to time in the ordinary course of business. While the ultimate outcome of pending proceedings cannot be predicted with certainty, at this time, management does not expect any such proceedings, either individually or in the aggregate, would have a material adverse effect on our consolidated financial position or results of operations. However, one or more unfavorable outcomes in any legal action against us could have a material adverse effect for the period in which they are resolved. In addition, regardless of their merits or their ultimate outcomes, such matters are costly, divert management's attention and may materially adversely affect our reputation, even if resolved in our favor.

Item 4. Mine Safety Disclosures

Not applicable.

PART II

Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities

Our common stock is listed on the Nasdaq Global Select Market under the symbol "OBNK". Our common stock began trading on the Nasdaq Global Select Market on May 9, 2018. Prior to that date, there was no public trading market for our common stock.

At February 6, 2023, there were approximately 6,311 holders of record of our common stock as reported by our transfer agent.

We intend to pay quarterly cash dividends on our common stock, subject to approval by our board of directors. Although we expect to pay dividends according to our dividend policy, we may elect not to pay dividends. Any declarations of dividends, and the amount and timing thereof, will be at the discretion of our board of directors. In determining the amount of any future dividends, our board of directors will take into account our earnings, capital requirements, financial condition and any other relevant factors. The primary source for dividends paid to stockholders are dividends or capital distributions paid to the Company from the Bank. There are regulatory restrictions on the ability of the Bank to pay dividends. Therefore, there can be no assurance that we will pay any dividends to holders of our stock or the amount of any such dividends. See "Item 1. Business - Regulation and Supervision" above and see *Note 18 - Capital and Regulatory Matters* contained in Item 8 of this report.

Equity Compensation Plans

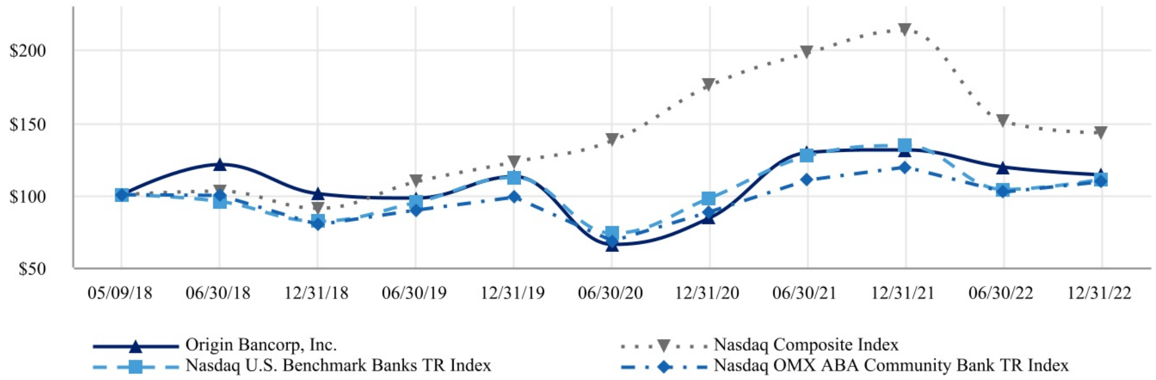
See "Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters"

Stock Performance Graph

The following graph compares the cumulative total stockholder return on our common stock to the cumulative total stockholder return for the Nasdaq Composite Index, the Nasdaq U.S. Benchmark Banks TR Index and the Nasdaq OMX ABA Community Bank TR index (collectively the "Indices") for the period beginning on May 9, 2018, the first day of trading of our common stock on the Nasdaq Global Select Market under the symbol "OBNK", through December 31, 2022. The following reflects index values as of close of trading, assumes $100.00 invested on May 9, 2018, in our common stock, and the Indices and assumes the reinvestment of dividends, if any. The historical price of our common stock represented in this graph represents past performance and is not necessarily indicative of future performance.

After careful consideration of industry, average asset size, market capitalization, constituents within the indices, and overall comparability to our compensation peer group, we have determined the most comparable index is represented by the Nasdaq OMX ABA Community Bank TR Index.

Comparison of Cumulative Total Stockholder Return



	May 9, 2018	Jun 30, 2018	Dec 31, 2018	Jun 30, 2019	Dec 31, 2019	Jun 30, 2020	Dec 31, 2020	Jun 30, 2021	Dec 31, 2021	Jun 30, 2022	Dec 31, 2022
Origin Bancorp, Inc.	$ 100.00	$ 120.51	$ 100.48	$ 97.49	$ 112.41	$ 65.87	$ 83.80	$ 128.80	$ 131.00	$ 119.25	$ 113.57
Nasdaq Composite Index	100.00	102.32	90.40	109.08	122.24	137.04	175.34	197.60	213.15	150.26	142.60
Nasdaq U.S. Benchmark Banks TR Index	100.00	95.30	81.39	94.85	111.66	73.29	97.37	126.7	133.69	103.47	110.61
Nasdaq OMX ABA Community Bank TR Index	100.00	99.32	79.43	89.43	98.17	68.32	88.00	109.88	118.81	101.64	109.08

Unregistered Sales of Equity Securities and Use of Proceeds

Stock Repurchases

In July 2019, the Company's board of directors authorized a stock repurchase program pursuant to which the Company was authorized purchase up to $40 million of its outstanding common stock. The stock repurchase program was approved for a period of three years and expired in June 2022, having repurchased a total of $28.0 million of outstanding common stock. In July 2022, the Board of Directors of the Company authorized a stock repurchase program pursuant to which the Company may, from time to time, purchase up to $50 million of its outstanding common stock. The shares may be repurchased in the open market or in privately negotiated transactions from time to time, depending upon market conditions and other factors, and in accordance with applicable regulations of the Securities and Exchange Commission. The stock repurchase program is intended to expire in three years but may be terminated or amended by the Board of Directors at any time. The stock repurchase program does not obligate the Company to purchase any shares at any time.

At December 31, 2022, there remained $50.0 million of capacity under the stock repurchase program. There were no stock repurchases during the year ended December 31, 2022.

Item 6. [Reserved]

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion and analysis presents our financial condition and results of operations on a consolidated basis. However, we conduct all of our material business operations through our wholly-owned bank subsidiary, Origin Bank, and the discussion and analysis that follows primarily relates to activities conducted at the Bank level.

The following discussion and analysis should be read in conjunction with our consolidated financial statements and related notes contained in Item 8 of this report. To the extent that this discussion describes prior performance, the descriptions relate only to the periods listed, which may not be indicative of our future financial outcomes. In addition to historical information, this discussion contains forward-looking statements that involve risks, uncertainties and assumptions that could cause results to differ materially from management's expectations. Factors that could cause such differences are discussed in the sections titled "Cautionary Note Regarding Forward-Looking Statements" and "Item 1A. Risk Factors." We assume no obligation to update any of these forward-looking statements.

Discussion in this Form 10-K includes results of operations and financial condition for 2022 and 2021 and year-over-year comparisons between 2022 and 2021. For discussion on results of operations and financial condition pertaining to 2021 and 2020 and year-over-year comparisons between 2021 and 2020, please refer to “Management's Discussion and Analysis of Financial Condition and Results of Operations” in Part II, Item 7 of our Annual Report on Form 10-K for the year ended December 31, 2021, filed with the SEC on February 23, 2022.

Critical Accounting Policies and Estimates

Our consolidated financial statements are prepared in accordance with U.S. GAAP and with general practices within the financial services industry. Application of these principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. We base our estimates on historical experience and on various other assumptions that we believe to be reasonable under current circumstances. These assumptions form the basis for our judgments about the carrying values of assets and liabilities that are not readily available from independent, objective sources. We evaluate our estimates on an ongoing basis. Use of alternative assumptions may have resulted in significantly different estimates. Actual results may differ from these estimates. Please refer to *Note 1 - Significant Accounting Policies* to our consolidated financial statements contained in Item 8 of this report for a full discussion of our accounting policies, including estimates.

We have identified the following accounting estimates that, due to the difficult, subjective or complex judgments and assumptions inherent in those estimates and the potential sensitivity of the financial statements to those judgments and assumptions, are critical to an understanding of our financial condition and results of operations. We believe that the judgments, estimates and assumptions used in the preparation of the financial statements are appropriate.

Allowance for Loan Credit Losses. The allowance for loan credit losses represents the estimated losses for loans accounted for on an amortized cost basis. Expected losses are calculated using relevant information about past events, including historical experience, current conditions, and reasonable and supportable forecasts that affect the collectability of the reported amount. We evaluate loans held for investment ("LHFI") on a pool basis with pools of loans characterized by loan type, collateral, industry, internal credit risk rating and FICO score. The amount of the allowance for loan credit losses is affected by loan charge-offs, which decrease the allowance, recoveries on loans previously charged off, which increase the allowance, as well as the provision for loan credit losses charged to income, which increases the allowance. In determining the provision for loan credit losses, management monitors fluctuations in the allowance resulting from actual charge-offs and recoveries and periodically reviews the size and composition of the loan portfolio in light of current and forecasted economic conditions. If actual losses exceed the amount of allowance for loan credit losses, it could materially and adversely affect our earnings. This evaluation is inherently subjective as it requires estimates that are susceptible to significant revision as more information becomes available. Credit losses are charged against the allowance for loan credit losses when management believes the loss is confirmed.

Loan Acquisition Accounting. We account for our mergers/acquisitions under Accounting Standards Codification ("ASC") Topic 805, Business Combinations, which requires the use of the acquisition method of accounting. All identifiable assets acquired, including loans, are recorded at fair value. The fair value for acquired loans at the time of acquisition or merger is based on a variety of factors, including discounted expected cash flows, adjusted for estimated prepayments and credit losses. In accordance with ASC 326, the fair value adjustment is recorded as premium or discount to the unpaid principal balance of each acquired loan. Loans that have been identified as having experienced a more-than-insignificant deterioration in credit quality since origination is a purchase credit deteriorated ("PCD") loan. The net premium or discount on PCD loans is adjusted by the Company's allowance for credit losses recorded at the time of merger/acquisition. The remaining net premium or discount is accreted or amortized into interest income over the remaining life of the loan using the effective interest rate method. The net premium or discount on loans that are not classified as PCD ("non-PCD"), that includes credit and non-credit components, is accreted or amortized into interest income over the remaining life of the loan using a constant yield method. We then record the necessary allowance for credit losses on the non-PCD loans through provision for loan credit losses expense.

In the first quarter of 2020, U.S. federal regulatory authorities issued an interim final rule that provided banking organizations that adopted the Current Expected Credit Loss ("CECL") methodology during the 2020 calendar year with the option to delay the regulatory capital impact for up to two years (beginning January 1, 2020), followed by a three-year transition period. We elected to use the two-year delay of CECL's impact on our regulatory capital (from January 1, 2020, through December 31, 2021), followed by the three-year transition period of CECL's initial impact on our regulatory capital (from January 1, 2022, through December 31, 2024), and, accordingly, we began to amortize the CECL adoption impact to our regulatory capital beginning on January 1, 2022. The amount representing the CECL impact to the Company's regulatory capital that will be ratably transitioning back into regulatory capital over the transition period is $5.1 million and $7.6 million at December 31, 2022 and 2021, respectively.

Mortgage Servicing Rights. We recognize the rights to service mortgage loans based on the estimated fair value of the Mortgage Servicing Right ("MSR") when loans are sold and the associated servicing rights are retained. We elected to account for the MSR at fair value.

The fair value of the MSR is determined using a valuation model administered by a third-party that calculates the present value of estimated future net servicing income. The model incorporates assumptions that market participants use in estimating future net servicing income, including estimates of prepayment speeds, discount rate, default rates, cost to service (including delinquency and foreclosure costs), escrow account earnings, contractual servicing fee income and other ancillary income such as late fees. Management reviews all significant assumptions quarterly. Mortgage loan prepayment speeds, a key assumption in the model, is the annual rate at which borrowers are forecasted to repay their mortgage loan principal. The discount rate used to determine the present value of estimated future net servicing income, another key assumption in the model, is an estimate of the rate of return investors in the market would require for an asset with similar risk. Both assumptions can, and generally will, change as market conditions and interest rates change.

An increase in either the prepayment speed or discount rate assumption will result in a decrease in the fair value of the MSR, while a decrease in these assumptions will result in an increase in the fair value of the MSR. In recent years, there have been significant market-driven fluctuations in loan prepayment speeds and discount rates. These fluctuations can be rapid and may continue to be significant. Therefore, estimating prepayment speed and/or discount rates within ranges that market participants would use in determining the fair value of the MSR requires significant management judgment.

General

We are a financial holding company headquartered in Ruston, Louisiana. Our wholly-owned bank subsidiary, Origin Bank, was founded in 1912 in Choudrant, Louisiana. Deeply rooted in our history is a culture committed to providing personalized, relationship banking to businesses, municipalities, and personal clients to enrich the lives of the people in the communities we serve. We provide a broad range of financial services and currently operate 59 banking centers located in Dallas/Fort Worth, East Texas, Houston, North Louisiana and Mississippi. As a financial holding company operating through one segment, we generate the majority of our revenue from interest earned on loans and investments, service charges and fees on deposit accounts.

We incur interest expense on deposits and other borrowed funds and noninterest expense, such as salaries and employee benefits and occupancy expenses. We analyze our ability to maximize income generated from interest earning assets and expense of our liabilities through our net interest margin. Net interest margin is a ratio calculated as net interest income divided by average interest-earning assets. Net interest income is the difference between interest income on interest-earning assets, such as loans, securities and interest-bearing cash, and interest expense on interest-bearing liabilities, such as deposits and borrowings. Net interest spread is the average yield on interest-earning assets minus the average rate on interest-bearing liabilities.

Changes in market interest rates and the interest rates we earn on interest-earning assets or pay on interest-bearing liabilities, as well as in the volume and types of interest-earning assets, interest-bearing and noninterest-bearing liabilities and stockholders' equity, are usually the largest drivers of periodic changes in net interest spread, net interest margin and net interest income. Fluctuations in market interest rates are driven by many factors, including governmental monetary policies, inflation, deflation, macroeconomic developments, changes in unemployment, the money supply, political and international conditions and conditions in domestic and foreign financial markets. Periodic changes in the volume and types of loans in our loan portfolio are affected by, among other factors, economic and competitive conditions, as well as developments affecting the real estate, technology, financial services, insurance, transportation and manufacturing sectors within our target markets.

Results of Operations

Selected income statement data, returns on average assets and average equity for the comparable periods were as follows:

(Dollars in thousands, except per share amounts)	At and for the Years Ended December 31,		
	2022	2021	2020
Net income	$ 87,715	$ 108,546	$ 36,357
Financial ratios:			
ROAA[(1)]	1.01 %	1.45 %	0.56 %
ROAE[(1)]	10.81	15.79	5.82
Capital ratio:			
Book value per common share	$ 30.90	$ 30.75	$ 27.53

(1) All average balances are calculated using average daily balances.

Net Interest Income and Net Interest Margin

During the third quarter of 2022, we completed our merger with BTH. As a result of the merger, the Company acquired $1.24 billion in loans, net of fair value accounting adjustments, $456.8 million in investment securities and $1.57 billion in deposits, which impacted most net interest income and interest expense categories.

Net interest income for the year ended December 31, 2022, was $275.3 million, an increase of $59.0 million compared to the year ended December 31, 2021. Increases in interest rates and average interest-earning assets drove increases of $51.5 million and $33.5 million, respectively, in total interest income. The increase in total interest income was offset by a $25.9 million increase in interest expense; $22.5 million of the increase was driven by increases in interest rates. Purchase accounting accretion on acquired loans was $2.8 million for the year ended December 31, 2022, with remaining purchase accounting net loan discounts totaling $2.2 million at December 31, 2022. Net purchase accounting accretion income on deposits and subordinated indebtedness totaled $472,000 for the year ended December 31, 2022, bringing the impact from purchase accounting treatment on total net interest income to $3.3 million for the year ended December 31, 2022.

Interest income earned on LHFI during the year ended December 31, 2022, increased in all loan categories, except for mortgage warehouse lines of credit, when compared to the year ended December 31, 2021. Interest income earned on commercial real estate and commercial and industrial loans contributed $26.4 million and $23.4 million, respectively, of the $68.6 million total increase in interest income earned on LHFI when compared to the year ended December 31, 2021. These increases were offset by an $8.7 million decrease in interest income earned on mortgage warehouse lines of credit for the year ended December 31, 2022, compared to the year ended December 31, 2021. Increases in mortgage interest rates during the year ended December 31, 2022, negatively impacted the volume of mortgage warehouse lines during the year ended December 31, 2022.

An increase in average balances drove $18.5 million of the $26.4 million increase in interest income earned on commercial real estate, while increases in interest rates drove $21.4 million of the $23.4 million increase in interest income earned on commercial and industrial loans for the comparable periods. The merger with BTH contributed $79.0 million of the $449.4 million growth in average balances in commercial real estate.

The Federal Reserve Board sets various benchmark rates, including the Federal Funds rate, and thereby influences the general market rates of interest, including the loan and deposit rates offered by financial institutions. In early 2020, the Federal Reserve lowered the target rate range to 0.00% to 0.25%, which remained in effect throughout all of 2021. On March 17, 2022, the target rate range was increased to 0.25% to 0.50%, then subsequently increased six more times during 2022, to 4.25% to 4.50%. At December 31, 2022, the Federal Funds target rate had range increased 425 basis points on a year-to-date basis. In order to remain competitive as market interest rates increase, interest rates paid on deposits must also increase. Increases in interest rates contributed $43.3 million to the total increase in interest income earned on total LHFI, while interest rates increased our total deposit interest expense and FHLB and advances and other borrowings interest expense by $19.0 million and $3.3 million, respectively.

The fully tax-equivalent net interest margin was 3.42% for the year ended December 31, 2022, a 32 basis point increase from the year ended December 31, 2021. The yield earned on interest-earning assets for the year ended December 31, 2022, was 4.02%, a 60 basis point increase from 3.42% for the year ended December 31, 2021. This increase was partially offset by a 43 basis point increase in interest rates paid on total interest-bearing liabilities. The net increase in purchase accounting accretion income due to the BTH merger increased the fully tax-equivalent NIM by four basis points during the year ended December 31, 2022.

The following table presents average consolidated balance sheet information, interest income, interest expense and the corresponding average yields earned and rates paid for the year ended December 31, 2022, 2021 and 2020.

	Year Ended December 31,								
	2022			2021			2020		
(Dollars in thousands) **Assets**	Average Balance[1]	Income/Expense	Yield/Rate	Average Balance[1]	Income/Expense	Yield/Rate	Average Balance[1]	Income/Expense	Yield/Rate
Commercial real estate	$ 1,951,246	$ 88,175	4.52 %	$ 1,501,890	$ 61,804	4.12 %	$ 1,322,477	$ 59,059	4.47 %
Construction/land/land development	708,758	36,352	5.13	528,618	21,914	4.15	554,038	25,255	4.56
Residential real estate	1,143,190	49,635	4.34	916,039	37,045	4.04	769,838	34,147	4.44
Commercial and industrial	1,675,719	90,499	5.40	1,627,077	67,064	4.12	1,710,648	64,619	3.78
Mortgage warehouse lines of credit	420,639	18,732	4.45	753,588	27,470	3.65	574,837	22,320	4.15
Consumer	20,913	1,444	6.91	16,764	972	5.80	18,707	1,195	6.39
LHFI	5,920,465	284,837	4.81	5,343,976	216,269	4.05	4,950,545	206,595	4.17
Loans held for sale	32,272	1,313	4.07	68,917	2,512	3.65	82,178	2,519	3.07
Loans receivable	5,952,737	286,150	4.81	5,412,893	218,781	4.04	5,032,723	209,114	4.16
Investment securities-taxable	1,497,226	27,795	1.86	899,532	14,555	1.62	536,816	11,302	2.11
Investment securities-non-taxable	270,701	7,172	2.65	280,157	6,337	2.26	214,224	5,428	2.53
Non-marketable equity securities held in other financial institutions	58,441	1,802	3.08	48,970	1,181	2.41	42,782	1,055	2.47
Interest-bearing deposits in banks	349,484	3,685	1.05	418,034	802	0.19	276,423	1,803	0.65
Total interest-earning assets	8,128,589	326,604	4.02	7,059,586	241,656	3.42	6,102,968	228,702	3.75
Noninterest-earning assets[2]	557,642			411,341			339,560		
Total assets	$ 8,686,231			$ 7,470,927			$ 6,442,528		
Liabilities and Stockholders' Equity									
Liabilities									
Interest-bearing liabilities									
Savings and interest-bearing transaction accounts	$ 4,066,981	$ 29,025	0.71 %	$ 3,640,713	$ 8,842	0.24 %	$ 2,904,587	$ 15,215	0.52 %
Time deposits	616,197	4,484	0.73	607,742	4,576	0.75	735,297	11,935	1.62
Total interest-bearing deposits	4,683,178	33,509	0.72	4,248,455	13,418	0.32	3,639,884	27,150	0.75
FHLB advances & other borrowings	444,426	9,411	2.12	337,076	4,654	1.38	468,974	5,895	1.26
Subordinated indebtedness	176,028	8,406	4.78	157,304	7,332	4.66	88,358	4,121	4.66
Total interest-bearing liabilities	5,303,632	51,326	0.97	4,742,835	25,404	0.54	4,197,216	37,166	0.89
Noninterest-bearing liabilities									
Noninterest-bearing deposits	2,422,132			1,905,045			1,499,936		
Other liabilities[2]	148,984			135,399			120,796		
Total liabilities	7,874,748			6,783,279			5,817,948		
Stockholders' Equity	811,483			687,648			624,580		
Total liabilities and stockholders' equity	$ 8,686,231			$ 7,470,927			$ 6,442,528		
Net interest spread			3.05 %			2.88 %			2.86 %
Net interest income and margin		$ 275,278	3.39		$ 216,252	3.06		$ 191,536	3.14
Net interest income and margin - (tax equivalent)[3]		$ 278,403	3.42		$ 219,155	3.10		$ 194,196	3.18

(1) Nonaccrual loans are included in their respective loan category for the purpose of calculating the yield earned. All average balances are daily average balances.
(2) Includes Government National Mortgage Association ("GNMA") repurchase average balances of $33.6 million, $53.9 million and $37.7 million for the year ended December 31, 2022, 2021 and 2020, respectively. The GNMA repurchase asset and liability are recorded as equal offsetting amounts in the consolidated balance sheets, with the asset included in loans held for sale and the liability included in FHLB advances and other borrowings. For more information on the GNMA repurchase option, see *Note 10 - Mortgage Banking* in the notes to our consolidated financial statements.
(3) In order to present pre-tax income and resulting yields on tax-exempt investments comparable to those on taxable investments, a tax-equivalent adjustment has been computed. This adjustment also includes income tax credits received on Qualified School Construction Bonds and income from tax-exempt investments, and tax credits were computed using a federal income tax rate of 21%.

Rate/Volume Analysis

The following tables present the dollar amount of changes in interest income and interest expense for major components of interest-earning assets and interest-bearing liabilities. It distinguishes between the changes related to outstanding balances and those due to changes in interest rates. The change in interest attributable to rate changes has been determined by applying the change in rate between periods to average balances outstanding in the earlier period. The change in interest due to volume has been determined by applying the rate from the earlier period to the change in average balances outstanding between periods. For purposes of the below table, changes attributable to both rate and volume that cannot be segregated, including the difference in day count, have been allocated to rate.

	Year Ended December 31, 2022 vs. Year Ended December 31, 2021		
(Dollars in thousands)			
Interest-earning assets	**Increase (Decrease) due to Change in**		
Loans:	**Volume**	**Yield/Rate**	**Total Change**
Commercial real estate	$ 18,491	$ 7,880	$ 26,371
Construction/land/land development	7,468	6,970	14,438
Residential real estate	9,186	3,404	12,590
Commercial and industrial	2,005	21,430	23,435
Mortgage warehouse lines of credit	(12,137)	3,399	(8,738)
Consumer	240	232	472
Loans held for sale	(1,336)	137	(1,199)
Loans receivable	23,917	43,452	67,369
Investment securities-taxable	9,671	3,569	13,240
Investment securities-non-taxable	(214)	1,049	835
Non-marketable equity securities held in other financial institutions	229	392	621
Interest-bearing deposits in banks	(131)	3,014	2,883
Total interest-earning assets	33,472	51,476	84,948
Interest-bearing liabilities			
Savings and interest-bearing transaction accounts	1,035	19,148	20,183
Time deposits	64	(156)	(92)
FHLB advances & other borrowings	1,482	3,275	4,757
Subordinated indebtedness	873	201	1,074
Total interest-bearing liabilities	3,454	22,468	25,922
Net interest income	$ 30,018	$ 29,008	$ 59,026

(Dollars in thousands)	Year Ended December 31, 2021 vs. Year Ended December 31, 2020		
Interest-earning assets	Increase (Decrease) due to Change in		
Loans:	Volume	Yield/Rate	Total Change
Commercial real estate	$ 8,012	$ (5,267)	$ 2,745
Construction/land/land development	(1,159)	(2,182)	(3,341)
Residential real estate	6,485	(3,587)	2,898
PPP	(197)	9,583	9,386
Commercial and industrial excl. PPP	(2,960)	(3,981)	(6,941)
Mortgage warehouse lines of credit	6,940	(1,790)	5,150
Consumer	(124)	(99)	(223)
Loans held for sale	(407)	400	(7)
Loans receivable	16,590	(6,923)	9,667
Investment securities-taxable	7,637	(4,384)	3,253
Investment securities-non-taxable	1,670	(761)	909
Non-marketable equity securities held in other financial institutions	153	(27)	126
Interest-bearing deposits in banks	924	(1,925)	(1,001)
Total interest-earning assets	26,974	(14,020)	12,954
Interest-bearing liabilities			
Savings and interest-bearing transaction accounts	3,856	(10,229)	(6,373)
Time deposits	(2,070)	(5,289)	(7,359)
FHLB advances & other borrowings	(1,658)	417	(1,241)
Subordinated indebtedness	3,216	(5)	3,211
Total interest-bearing liabilities	3,344	(15,106)	(11,762)
Net interest income	$ 23,630	$ 1,086	$ 24,716

Provision for Credit Losses

We recorded a provision for credit loss expense of $24.7 million for the year ended December 31, 2022, a $35.5 million increase from a provision net benefit of $10.8 million for the year ended December 31, 2021. The increase was primarily due to the merger with BTH, which drove a $14.9 million provision for loan credit losses for the CECL requirement on non-PCD loans. In addition, the total LHFI, excluding BTH loans and mortgage warehouse lines of credit, increased $978.6 million during the comparable periods. Net charge-offs were $4.6 million during the year ended December 31, 2022, compared to $11.3 million during the year ended December 31, 2021, while the allowance for loan credit losses to nonperforming LHFI was 876.87% at December 31, 2022, compared to 259.35% at December 31, 2021, primarily driven by a $15.0 million decrease in nonperforming LHFI at December 31, 2022, compared to December 31, 2021, as well as the $22.6 million increase in the Company’s allowance for loan credit losses during the intervening period. While the majority of our credit metrics continue to improve, uncertainty remains due to risks related to continued inflation, economic recession concerns, market interest rate increases, geopolitical risks, labor pressures, and continued global supply-chain disruptions.

The provision for credit losses, which includes the provisions for loan losses, off-balance sheet commitments and investment security credit losses, is based on management's assessment of the adequacy of our allowance for credit losses ("ACL") for loans, securities and our reserve for off-balance sheet lending commitments. Factors impacting the provision include inherent risk characteristics in our loan portfolio, the level of nonperforming loans and net charge-offs, both current and historic, local economic and credit conditions, the direction of the change in collateral values, reasonable and supportable forecasts, and the funding probability on unfunded lending commitments. The provision for credit losses is charged against earnings in order to maintain our allowance for credit losses, which reflects management's best estimate of life of loan credit losses inherent in our loan portfolio at the balance sheet date, investment security credit losses and our reserve for off-balance sheet lending commitments, which reflects management's best estimate of losses inherent in our legally binding lending-related commitments. The allowance is increased by the provision for loan credit losses and decreased by charge-offs, net of recoveries.

Noninterest Income

The table below presents the various components of and changes in our noninterest income for the periods indicated.

(Dollars in thousands)	Year Ended December 31,			2022 vs. 2021		2021 vs. 2020	
Noninterest income:	2022	2021	2020	$ Change	% Change	$ Change	% Change
Service charges and fees	$ 17,669	$ 15,049	$ 12,998	$ 2,620	17.4 %	$ 2,051	15.8 %
Insurance commission and fee income	22,869	13,098	12,746	9,771	74.6	352	2.8
Mortgage banking revenue	6,722	12,927	29,603	(6,205)	(48.0)	(16,676)	(56.3)
Other fee income	3,530	2,879	2,253	651	22.6	626	27.8
Gain on sales of securities, net	1,664	1,748	580	(84)	(4.8)	1,168	N/M
Loss on sales and disposals of other assets, net	(175)	(185)	(1,213)	10	5.4	1,028	(84.7)
Limited partnership investment (loss) income	(199)	5,701	78	(5,900)	(103.5)	5,623	N/M
Swap fee income	457	814	2,546	(357)	(43.9)	(1,732)	(68.0)
Other income	4,737	10,162	5,061	(5,425)	(53.4)	5,101	100.8
Total noninterest income	$ 57,274	$ 62,193	$ 64,652	$ (4,919)	(7.9)	$ (2,459)	(3.8)

N/M = Not meaningful.

Noninterest income for the year ended December 31, 2022, decreased by $4.9 million, or 7.9%, to $57.3 million, compared to $62.2 million for the year ended December 31, 2021, and was largely driven by decreases of $6.2 million, $5.9 million and $5.4 million in mortgage banking revenue, limited partnership investment income and other noninterest income, respectively. The decreases were partially offset by increases of $9.8 million and $2.6 million in insurance commission and fee income and service charges and fees income, respectively.

Mortgage banking revenue. The $6.2 million decrease in mortgage banking revenue compared to the year ended December 31, 2021, was primarily due to a $9.8 million decrease in gain on sale of loans sold including MSR origination, primarily due to a 44.9% reduction in origination volume, a 51.2% reduction in sales volume and a 13.5% reduction in sales margin experienced during the year ended December 31, 2022, as well as a $2.0 million impairment on the held for sale GNMA MSR portfolio. The decreases were partially offset by a $5.5 million increase in mortgage held for sale and pipeline fair value adjustment.

During the second half of 2022, the Company recognized an impairment of $2.0 million and entered into an agreement to sell its GNMA MSR portfolio, which met all final sale conditions in early 2023. The Company sold approximately $1.8 million in GNMA MSR, with no significant additional gain or loss realized, and derecognized the related GNMA repurchase asset and offsetting liability of $24.6 million in the first quarter of 2023.

Limited partnership investment income. The $5.9 million decrease in limited partnership investment income during the year ended December 31, 2022, compared to the year ended December 31, 2021, was primarily due to a net $5.7 million valuation increase in the limited partnership funds during the year ended December 31, 2021, compared to a net $256,000 valuation decrease recorded during the year ended December 31, 2022.

Other income. The decrease in other noninterest income was primarily due to the acquisition of the remaining 62% equity interest in The Lincoln Agency in December 2021. The previously held 38% equity method investment in Lincoln Agency was remeasured to its fair value, resulting in recognition of a gain of $5.2 million in other noninterest income during the year ended December 31, 2021.

Insurance commission and fee income. The increase in insurance commission and fee income during the year ended December 31, 2022, as compared to the year ended December 31, 2021, was primarily driven by $8.3 million of additional contribution income as a result of the insurance acquisitions that occurred on December 31, 2021, which significantly expanded the Company's insurance presence in the North Louisiana market.

Service charges and fees. The $2.6 million increase in service charges and fees income was primarily driven by increases of $444,000, $321,000 and $606,000, excluding BTH service charges, in overdraft fee income, account analysis income and debit interchange fees due to increases in debit card transactions, respectively. In total, BTH contributed $749,000 to the total service charges and fee income since the date of the merger.

Noninterest Expense

The following table presents the significant components of noninterest expense for the periods indicated:

(Dollars in thousands)	Year Ended December 31,			2022 vs. 2021		2021 vs. 2020	
Noninterest expense:	2022	2021	2020	$ Change	% Change	$ Change	% Change
Salaries and employee benefits	$ 118,971	$ 93,026	$ 91,105	$ 25,945	27.9 %	$ 1,921	2.1 %
Occupancy and equipment, net	20,203	17,347	17,022	2,856	16.5	325	1.9
Data processing	10,456	9,117	8,321	1,339	14.7	796	9.6
Office and operations	8,120	6,399	5,624	1,721	26.9	775	13.8
Loan-related expenses	6,097	7,688	6,316	(1,591)	(20.7)	1,372	21.7
Professional services	3,813	3,644	3,975	169	4.6	(331)	(8.3)
Electronic banking	3,958	3,563	3,686	395	11.1	(123)	(3.3)
Advertising and marketing	4,431	3,438	3,710	993	28.9	(272)	(7.3)
Franchise tax expense	3,582	2,538	2,186	1,044	41.1	352	16.1
Regulatory assessments	3,547	2,904	3,826	643	22.1	(922)	(24.1)
Intangible asset amortization	5,488	844	1,060	4,644	N/M	(216)	(20.4)
Communications	1,246	1,574	1,767	(328)	(20.8)	(193)	(10.9)
Merger-related expense	6,171	—	—	6,171	N/A	—	—
Other expenses	4,336	4,697	3,337	(361)	(7.7)	1,360	40.8
Total noninterest expense	$ 200,419	$ 156,779	$ 151,935	$ 43,640	27.8	$ 4,844	3.2

N/M = Not meaningful.
N/A = Not applicable.

Noninterest expense for the year ended December 31, 2022, increased by $43.6 million, or 27.8%, to $200.4 million, compared to $156.8 million for the year ended December 31, 2021. The increase was primarily due to increases of $25.9 million, $6.2 million, $4.6 million, $2.9 million and $1.7 million in salaries and employee benefits expenses, merger-related expense, intangible asset amortization, occupancy and equipment, net and office and operations, respectively. The increases were partially offset by a $1.6 million decrease in loan-related expenses.

Salaries and employee benefits. The $25.9 million increase in salaries and employee benefits expenses was primarily driven by an increase in full-time equivalent employees to 1,011 at December 31, 2022, from 776 at December 31, 2021, and reflected a $14.6 million increase in salary alone.

- The BTH merger contributed 114 of the new full time positions and $5.6 million to the salaries and employee benefits expense increase.
- The insurance acquisition at December 31, 2021, contributed 34 new full time positions and $4.8 million to the salaries and employee benefits expense increase.
- Incentive compensation increased $5.7 million due to loan production exceeding performance goals.
- Also contributing to the increase was the impact of cost of living adjustments and annual raises made on March 1, 2022, and additional cost of living increases made in August 2022.

Merger-related expense. The $6.2 million merger-related expenses during the year ended December 31, 2022, were associated with the BTH merger that closed on August 1, 2022.

Intangible asset amortization expense. The $4.6 million increase in intangible asset amortization expense was primarily due to the core deposit intangible established in conjunction with the BTH merger, which contributed $3.4 million to the total increase. The insurance acquisition at December 31, 2021, contributed $1.4 million to the total increase for the relationship-based and noncompete intangibles established in conjunction with the acquisition.

Occupancy and equipment, net. The $2.9 million increase in occupancy and equipment expense was primarily due to the BTH merger that closed on August 1, 2022, which contributed $1.6 million to the total increase. In addition, the rental expense increased by $323,000 primarily due to one new banking center location which opened during the last quarter of 2022, and total maintenance and repairs expense increased on property, furniture, fixtures and equipment by $296,000.

Office and operations. The increase in office and operations expense was primarily due to increases in business development costs and credit card reward expenses.

Loan-related expenses. The decrease in loan-related expenses was primarily driven by a decrease of $1.2 million in loan-related legal fees, primarily due to our lower past due and nonperforming LHFI balances.

Income Tax Expense

For the year ended December 31, 2022, we recognized income tax expense of $19.7 million, compared to $23.9 million for the year ended December 31, 2021. Our effective tax rate was 18.4% for the year ended December 31, 2022, compared to 18.0% for the year ended December 31, 2021. The effective tax rate was lower for the year ended December 31, 2021, compared to the rate for the year ended December 31, 2022, primarily due to the tax impact of the exercise of stock options and vesting of stock awards during the year ended December 31, 2021. Offsetting the increase in the effective tax rate during the year ended December 31, 2022, compared to the effective tax rate during the year ended December 31, 2021, was the impact of merger-related expenses during 2022, which drove net income before income taxes down.

Our effective income tax rates have differed from the applicable U.S. statutory rates of 21% at December 31, 2022 and 2021, due to the effect of tax-exempt income from securities, low-income housing and qualified school construction bond tax credits, tax-exempt income from life insurance policies and income tax effects associated with stock-based compensation. Because of these items, we expect our effective income tax rate to continue to remain below the applicable U.S. statutory rate. These tax-exempt items can have a larger than proportional effect on the effective income tax rate as net income decreases. Any increases to the statutory tax rate would increase income taxes in the future.

Comparison of Financial Condition at December 31, 2022, and December 31, 2021

General

The merger with BTH affected most material financial metrics of the Company at December 31, 2022. Total assets increased by $1.82 billion, or 23.2%, to $9.69 billion at December 31, 2022, from $7.86 billion at December 31, 2021. The increase in total assets is primarily due to $1.85 billion in total assets, net of purchase accounting adjustments, acquired from the merger with BTH, which included $1.24 billion in loan balances, net of purchase accounting adjustments. Organic loan growth contributed an additional $619.2 million increase in our loan portfolio balances which grew to $7.09 billion at December 31, 2022, from $5.23 billion at December 31, 2021. The increase in total assets was offset by a $346.6 million decrease in cash and cash equivalents to $359.0 million at December 31, 2022, from $705.6 million at December 31, 2021.

Total deposits increased $1.21 billion to $7.78 billion at December 31, 2022, from $6.57 billion at December 31, 2021. The increase in deposits was due to the assumption of $1.57 billion in deposits, net of purchase accounting adjustments, from the BTH merger. Excluding the deposits acquired in the BTH merger at August 1, 2022, total deposit balances decreased by $361.5 million, or 5.5%, with the remaining BTH-originated deposits totaling $1.45 billion at December 31, 2022. Overall, higher rates of inflation tend to cause individuals and businesses to hold fewer liquid assets thereby contributing to tightening liquidity.

Stockholders' equity increased $219.7 million to $949.9 million at December 31, 2022, compared to $730.2 million at December 31, 2021. The increase in stockholders' equity is primarily associated with the $306.3 million in consideration paid related to the BTH merger and the $87.7 million in net income for the year ended December 31, 2022, partially offset by the $165.6 million in other comprehensive loss and the $15.9 million of stockholder dividends declared in 2022.

Loan Portfolio

Our loan portfolio is our largest category of interest-earning assets, and interest income earned on our loan portfolio is our primary source of income. At December 31, 2022, 78.8% of the loan portfolio held for investment was comprised of commercial and industrial loans, including mortgage warehouse lines of credit, commercial real estate and construction/land/land development loans, which were primarily originated within our market areas of Texas, North Louisiana, and Mississippi, compared to 82.3% at December 31, 2021.

The following table presents the ending balance of our loan portfolio held for investment at the dates indicated.

(Dollars in thousands)	December 31, 2022		December 31, 2021		2022 vs. 2021	
Real estate:	Amount	Percent	Amount	Percent	$ Change	% Change
Commercial real estate	$ 2,304,678	32.6 %	$ 1,693,512	32.4 %	$ 611,166	36.1 %
Construction/land/land development	945,625	13.3	530,083	10.1	415,542	78.4
Residential real estate	1,477,538	20.8	909,739	17.4	567,799	62.4
Total real estate	4,727,841	66.7	3,133,334	59.9	1,594,507	50.9
Commercial and industrial total	2,051,161	28.9	1,454,235	27.8	596,926	41.0
Mortgage warehouse lines of credit	284,867	4.0	627,078	12.0	(342,211)	(54.6)
Consumer	26,153	0.4	16,684	0.3	9,469	56.8
Total LHFI	$ 7,090,022	100.0 %	$ 5,231,331	100.0 %	$ 1,858,691	35.5

At December 31, 2022, total LHFI were $7.09 billion, an increase of $1.86 billion, or 35.5%, compared to $5.23 billion at December 31, 2021. The merger with BTH has contributed $1.22 billion to the increase, net of purchase accounting adjustments, at December 31, 2022. Our organic loan growth contributed to the remaining increase. Total LHFI at December 31, 2022, excluding mortgage warehouse lines of credit, were $6.81 billion, reflecting an increase of $2.20 billion, or 47.8%, increase, compared to December 31, 2021. Our lending focus continues to be on operating companies, including commercial loans and lines of credit, as well as owner-occupied commercial real estate loans.

Loan Portfolio Maturity Analysis

The table below presents the maturity distribution of our LHFI at December 31, 2022. The table also presents the portion of our loans that have fixed interest rates, rather than interest rates that fluctuate over the life of the loans, based on changes in the interest rate environment.

	December 31, 2022				
(Dollars in thousands)	One Year or Less	After One Year Through Five Years	After Five Years Through Fifteen Years	After Fifteen Years	Total
Real estate:					
Commercial real estate	$ 293,043	$ 1,400,616	$ 592,660	$ 18,359	$ 2,304,678
Construction/land/land development	294,210	472,564	147,084	31,767	945,625
Residential real estate loans	91,145	577,391	220,460	588,542	1,477,538
Total real estate	678,398	2,450,571	960,204	638,668	4,727,841
Commercial and industrial loans	811,097	1,123,501	116,412	151	2,051,161
Mortgage warehouse lines of credit	284,867	—	—	—	284,867
Consumer loans	11,834	13,255	494	570	26,153
Total LHFI	$ 1,786,196	$ 3,587,327	$ 1,077,110	$ 639,389	$ 7,090,022
Amounts with fixed rates	$ 388,222	$ 1,976,376	$ 638,987	$ 77,881	$ 3,081,466
Amounts with variable rates	1,397,974	1,610,951	438,123	561,508	4,008,556
Total	$ 1,786,196	$ 3,587,327	$ 1,077,110	$ 639,389	$ 7,090,022

Nonperforming Assets

Nonperforming assets consist of nonperforming loans and property acquired through foreclosures or repossession, as well as bank-owned property not currently in use and listed for sale.

Loans are placed on nonaccrual status when management believes that the borrower's financial condition, after giving consideration to economic and business conditions, and collection efforts, is such that collection of interest is doubtful, or generally when loans are 90 days or more past due. Loans may be placed on nonaccrual status even if the contractual payments are not past due if information becomes available that causes substantial doubt about the borrower's ability to meet the contractual obligations of the loan. When accrual of interest is discontinued, all unpaid accrued interest is reversed. Past due status is based on the contractual terms of the loan. Interest income on nonaccrual loans may be recognized to the extent cash payments are received, but payments received are usually applied to principal. Nonaccrual loans are returned to accrual status when all the principal and interest amounts contractually due are brought current and future payments are reasonably assured. If a loan is determined by management to be uncollectible, regardless of size, the portion of the loan determined to be uncollectible is then charged to the allowance for loan credit losses.

Purchased loans that have experienced more than insignificant credit deterioration since origination are purchase credit deteriorated (“PCD”) loans. The Company evaluates acquired loans for deterioration in credit quality based on any of, but not limited to, the following: (1) nonaccrual status; (2) troubled debt restructured designation; (3) risk ratings of special mention, substandard or doubtful; (4) watchlist credits; and (5) delinquency status, including loans that are current on merger/acquisition date, but had been previously delinquent two times 60 days. An allowance for credit losses is determined using the same methodology as other individually evaluated loans. Subsequent changes to the allowance for credit losses are recorded through the provision for credit losses. We held approximately $48.1 million of unpaid principal balance PCD loans at December 31, 2022, and no PCD loans at December 31, 2021.

We manage the quality of our lending portfolio in part through a disciplined underwriting policy and through continual monitoring of loan performance and borrowers' financial condition. There can be no assurance, however, that our loan portfolio will not become subject to losses due to declines in economic conditions or deterioration in the financial condition of our borrowers.

Overall, credit metrics have improved at December 31, 2022, compared to December 31, 2021; however, uncertainty remains due to risks related to rising inflation, economic recession concerns, market interest rate increases, labor pressures, continued global supply-chain disruptions and increased geopolitical risks.

The following table shows our nonperforming loans and nonperforming assets at the dates indicated:

(Dollars in thousands)	December 31, 2022	December 31, 2021
Nonperforming LHFI:		
Commercial real estate	$ 526	$ 512
Construction/land/land development	270	338
Residential real estate	7,712	11,647
Commercial and industrial	1,383	12,306
Consumer	49	100
Total nonperforming LHFI	9,940	24,903
Nonperforming loans held for sale	3,933	1,754
Total nonperforming loans	13,873	26,657
Other real estate owned:		
Commercial real estate, construction/land/land development	—	1,279
Residential real estate	806	180
Total other real estate owned	806	1,459
Other repossessed assets owned	—	401
Total repossessed assets owned	806	1,860
Total nonperforming assets	$ 14,679	$ 28,517
Troubled debt restructuring loans - nonaccrual	$ 4,389	$ 4,064
Troubled debt restructuring loans - accruing	3,248	2,763
Total LHFI	7,090,022	5,231,331
Ratio of nonperforming LHFI to total LHFI	0.14 %	0.48 %
Ratio of nonperforming assets to total assets	0.15	0.36
Ratio of nonperforming assets to average LHFI	0.25	0.53

At December 31, 2022, total nonperforming LHFI decreased by $15.0 million, or 60.1%, from December 31, 2021, primarily due to lower nonperforming commercial and industrial and residential loan balances. Please see *Note 5 - Loans* to our consolidated financial statements contained in Item 8 of this report for more information on nonperforming loans.

Potential Problem Loans

From a credit risk standpoint, we classify loans using risk grades which fall into one of five categories: pass, special mention, substandard, doubtful or loss. The classifications of loans reflect a judgment about the risks of default and loss associated with the loan. We review the ratings on loans and adjust them to reflect the degree of risk and loss that is felt to be inherent or expected in each loan. The methodology is structured so that reserve allocations are increased in accordance with deterioration in credit quality (and a corresponding increase in risk and loss) or decreased in accordance with improvement in credit quality (and a corresponding decrease in risk and loss). Loans rated special mention reflect borrowers who exhibit credit weaknesses or downward trends deserving close attention. If left uncorrected, these potential weaknesses may result in deterioration of the repayment prospects for the asset or in the bank's credit position at some future date. While potentially weak these borrowers currently do not pose sufficient risk to warrant adverse classification. Loans rated substandard are those borrowers with deteriorating trends and well-defined weaknesses that jeopardize the orderly liquidation of debt. A substandard loan is inadequately protected by the current sound worth and paying capacity of the obligor or by the collateral pledged, if any. Normal repayment from the borrower might be in jeopardy.

Loans rated as doubtful have the weaknesses of substandard assets with the additional characteristic that the weaknesses make collection or liquidation in full questionable, and there is a high probability of loss based on currently existing facts, conditions and values. Loans classified as loss are charged-off and we have low expectations for the recovery of any payments in respect to loans rated as loss. Information regarding the internal risk ratings of our loans at December 31, 2022, is included in *Note 5 - Loans* to our consolidated financial statements contained in Item 8 of this report.

Allowance for Loan Credit Losses

The allowance for loan credit losses represents the estimated losses for loans accounted for on an amortized cost basis. Expected losses are calculated using relevant information about past events, including historical experience, current conditions, and reasonable and supportable forecasts that affect the collectability of the reported amount. We evaluate LHFI on a pool basis with pools of loans characterized by loan type, collateral, industry, internal credit risk rating and FICO score. We applied a probability of default, loss given default loss methodology to the loan pools at December 31, 2022. Historical loss rates for each pool are calculated based on charge-off and recovery data beginning with the second quarter of 2012. These loss rates are adjusted for the effects of certain economic variables forecast over a one-year period, particularly for differences between current period conditions and the conditions existing during the historical loss period. Subsequent to the forecast effects, historical loss rates are used to estimate losses over the estimated remaining lives of the loans. The estimated remaining lives consist of the contractual lives, adjusted for estimated prepayments. Loans that exhibit characteristics different from their pool characteristics are evaluated on an individual basis. Certain of these loans are considered to be collateral dependent, with the borrower experiencing financial difficulty. For these loans, the fair value of collateral practical expedient is elected whereby the allowance is calculated as the amount by which the amortized cost exceeds the fair value of collateral, less costs to sell (if applicable). Those individual loans that are not collateral dependent are evaluated based on a discounted cash flow methodology.

The amount of the allowance for loan credit losses is affected by loan charge-offs, which decrease the allowance, recoveries on loans previously charged off, which increase the allowance, as well as the provision for loan credit losses charged to income, which increases the allowance. In determining the provision for loan credit losses, management monitors fluctuations in the allowance resulting from actual charge-offs and recoveries and periodically reviews the size and composition of the loan portfolio in light of current and forecasted economic conditions. If actual losses exceed the amount of the allowance for loan credit losses, it would materially and adversely affect our earnings.

Acquisition Accounting and Acquired Loans. We account for our mergers/acquisitions under Financial Accounting Standards Board ("FASB") *ASC Topic 805, Business Combinations*, which requires the use of the acquisition method of accounting. All identifiable assets acquired, including loans, are recorded at fair value. In accordance with ASC 326, we record a discount or premium, and also an allowance for credit losses on acquired loans. All purchased loans are recorded at fair value in accordance with the fair value methodology prescribed in FASB *ASC Topic 820, Fair Value Measurements*. The fair value estimates associated with the loans include estimates related to expected prepayments and the amount and timing of undiscounted expected principal, interest and other cash flows.

Purchased loans that have experienced more than insignificant credit deterioration since origination are PCD loans. An allowance for loan credit losses is determined using the same methodology as other individually evaluated loans. The sum of the loan’s purchase price and allowance for credit losses becomes its initial amortized cost basis. The difference between the initial amortized cost basis and the par value of the loan is a non-credit discount or premium, which is amortized or accreted into interest income over the life of the loan. Subsequent changes to the allowance for loan credit losses are recorded through the provision for credit losses.

As a general rule, when it becomes evident that the full principal and accrued interest of a loan may not be collected, or at 90 days past due, we will reflect that loan as nonperforming. It will remain nonperforming until it performs in a manner that it is reasonable to expect that we will collect principal and accrued interest in full. When the amount or likelihood of a loss on a loan has been confirmed, a charge-off will be taken in the period it is determined.

We establish general allocations for each major loan category and credit quality. The general allocation is based, in part, on historical charge-off experience and loss given default methodology, derived from our internal risk rating process. Other adjustments may be made to the allowance for pools of loans after an assessment of internal or external influences on credit quality that are not fully reflected in the historical loss or risk rating data. We give consideration to trends, changes in loan mix, delinquencies, prior losses, reasonable and supportable forecasts and other related information.

In connection with the review of our loan portfolio, we consider risk elements attributable to particular loan types or categories in assessing the quality of individual loans. Some of the risk elements we consider include:

- for commercial real estate loans, the debt service coverage ratio, operating results of the owner in the case of owner-occupied properties, the loan to value ratio, the age and condition of the collateral and the volatility of income, property value and future operating results typical of properties of that type;

- for construction, land and land development loans, the perceived feasibility of the project, including the ability to sell developed lots or improvements constructed for resale or the ability to lease property constructed for lease, the quality and nature of contracts for presale or prelease, if any, experience and ability of the developer and loan to value ratio;

- for residential mortgage loans, the borrower's ability to repay the loan, including a consideration of the debt to income ratio and employment and income stability, the loan-to-value ratio, and the age, condition and marketability of the collateral; and

- for commercial and industrial loans, the debt service coverage ratio (income from the business in excess of operating expenses compared to loan repayment requirements), the operating results of the commercial, industrial or professional enterprise, the borrower's business, professional and financial ability and expertise, the specific risks and volatility of income and operating results typical for businesses in that category and the value, nature and marketability of collateral.

Overall, absent the impact of the BTH merger, most credit metrics improved at December 31, 2022, compared to December 31, 2021. The impact of the BTH merger on loans at December 31, 2022, was as follows: provision of $23.9 million, classified loans of $17.8 million, past due loans of $6.0 million, and nonperforming LHFI of $2.6 million.

The allowance for loan credit losses to nonperforming LHFI increased to 876.87% at December 31, 2022, compared to 259.35% at December 31, 2021, primarily driven by a $15.0 million decrease in nonperforming LHFI at December 31, 2022, compared to December 31, 2021, as well as the $22.6 million increase in the allowance for loan credit losses during the intervening period, which was predominately driven by the BTH merger. Past due loans to total LHFI declined to 0.15% at December 31, 2022, compared to 0.49% at December 31, 2021.

The following table presents the allowance for credit loss by loan category:

	December 31,			
(Dollars in thousands)	2022		2021	
Loans secured by real estate:	Amount	%[1]	Amount	%[1]
Commercial real estate	$ 19,772	32.6 %	$ 13,425	32.4 %
Construction/land/land development	7,776	13.3	4,011	10.1
Residential real estate	8,230	20.8	6,116	17.4
Commercial and industrial	50,148	28.9	40,146	27.8
Mortgage warehouse lines of credit	379	4.0	340	12.0
Consumer	856	0.4	548	0.3
Total	$ 87,161	100.0 %	$ 64,586	100.0 %

(1) Represents the ratio of each loan type to total LHFI.

Our allowance for loan credit losses increased by $22.6 million, or 35.0%, to $87.2 million at December 31, 2022, from $64.6 million at December 31, 2021. The ratio of allowance for loan credit losses to total LHFI was 1.23% at both December 31, 2022 and 2021. The allowance for loan credit losses increased $22.6 million compared to December 31, 2021, mainly due to a $23.9 million allowance for BTH loans at December 31, 2022. Qualitative factor changes across the Company's risk pools, which includes the impact of the BTH acquired loans, drove a $22.4 million increase for the year ended December 31, 2022.

The following table presents an analysis of the allowance for credit losses and other related data at the periods indicated.

(Dollars in thousands)	Year Ended December 31,	
Allowance for loan credit losses	**2022**	**2021**
Balance at beginning of period	$ 64,586	$ 86,670
Allowance for loan credit losses - BTH merger	5,527	—
Provision for loan credit losses	21,613	(10,798)
Charge-offs:		
Commercial real estate	166	170
Residential real estate	91	78
Commercial and industrial	8,459	11,923
Consumer	43	63
Total charge-offs	8,759	12,234
Recoveries:		
Commercial real estate	40	65
Construction/land/land development	211	—
Residential real estate	102	117
Commercial and industrial	3,825	717
Consumer	16	49
Total recoveries	4,194	948
Net charge-offs	4,565	11,286
Balance at end of period	$ 87,161	$ 64,586
Ratio of allowance for loan credit losses to:		
Nonperforming LHFI	876.87 %	259.35 %
LHFI	1.23	1.23
Net charge-offs as a percentage of:		
Provision for loan credit losses	21.12	N/M
Allowance for loan credit losses	5.24	17.47
Average LHFI	0.08	0.21

N/M = Not meaningful.

Securities

Our securities portfolio is the second largest component of earning assets and provides a significant source of revenue. We use the securities portfolio to provide a source of liquidity, provide an appropriate return on funds invested, manage interest rate risk and meet collateral as well as regulatory capital requirements. We manage the securities portfolio to optimize returns while maintaining an appropriate level of risk. Securities within the portfolio are classified as either held-to-maturity, available-for-sale or at fair value through income, based on the intent and objective of the investment and the ability to hold to maturity. Unrealized gains and losses arising in the available for sale portfolio as a result of changes in the fair value of the securities are reported on an after-tax basis as a component of accumulated other comprehensive (loss) income in stockholders' equity while securities classified as held to maturity are carried at amortized cost. For further discussion of the valuation components and classification of investment securities, see *Note 1 - Significant Accounting Policies* to our consolidated financial statements contained in Item 8 of this report.

Our securities portfolio totaled $1.66 billion at December 31, 2022, representing an increase of $124.1 million, or 8.1%, from $1.53 billion at December 31, 2021. At August 1, 2022, we acquired $456.8 million of available for sale securities from BTH, $447.5 million of which were sold during the third quarter of 2022, and majority of the funds were used to pay down Federal Home Loan Bank Advances. For additional information regarding our securities portfolio, please see *Note 4 - Securities* to our consolidated financial statements contained in Item 8 of this report.

The following table sets forth the composition of our securities portfolio at the dates indicated.

	December 31,			
(Dollars in thousands)	2022		2021	
Available for sale:	**Amount**	**% of Total**	**Amount**	**% of Total**
State and municipal securities	$ 389,477	23.7 %	$ 405,818	27.0 %
Corporate bonds	82,258	5.0	82,734	5.5
U.S. government and agency securities	248,420	15.1	97,658	6.5
Commercial mortgage-backed securities	91,943	5.6	64,243	4.3
Residential mortgage-backed securities	572,303	34.9	557,801	37.0
Commercial collateralized mortgage obligations	38,813	2.4	19,672	1.3
Residential collateralized mortgage obligations	146,370	8.9	193,740	12.9
Asset-backed securities	71,900	4.4	83,062	5.5
Total	$ 1,641,484	100.0 %	$ 1,504,728	100.0 %
Held to maturity:				
State and municipal securities, net of allowance	$ 11,275		$ 22,767	
Securities carried at fair value through income:				
State and municipal securities	$ 6,368		$ 7,497	

The following table presents the fair value of securities available for sale and amortized cost of securities held to maturity and their corresponding yields at December 31, 2022. The securities are grouped by contractual maturity and use amortized cost for all yield calculations. Mortgage-backed securities, collateralized mortgage obligations and asset-backed securities, which do not have contractual payments due at a single maturity date, are shown at the date the last underlying mortgage matures.

	December 31, 2022									
(Dollars in thousands)	Within One Year		After One Year but Within Five Years		After Five Years but Within Ten Years		After Ten Years		Total	
Available for sale:	Amount	Yield	Amount	Yield	Amount	Yield	Amount	Yield	Amount	Yield
State and municipal securities [1]	$ 7,214	1.81 %	$ 46,572	1.92 %	$ 110,407	7.11 %	$ 225,284	2.19 %	$ 389,477	3.55 %
Corporate bonds	—	—	15,105	3.26	66,721	4.41	432	4.50	82,258	4.20
U.S. government and agency securities	32,438	0.26	193,247	1.43	18,782	1.20	3,953	1.47	248,420	1.26
Commercial mortgage-backed securities	—	—	44,351	1.90	47,592	1.35	—	—	91,943	1.62
Residential mortgage-backed securities	—	—	6,163	2.90	85,073	1.39	481,067	1.86	572,303	1.80
Commercial collateralized mortgage obligations	—	—	18,539	1.37	15,959	1.83	4,315	1.60	38,813	1.58
Residential collateralized mortgage obligations	—	—	—	—	1,594	2.42	144,776	1.93	146,370	1.94
Asset-backed securities	—	—	—	—	—	—	71,900	5.89	71,900	5.89
Total securities available for sale	$ 39,652	0.54	$ 323,977	1.67	$ 346,128	3.81	$ 931,727	2.26	$ 1,641,484	2.43
Held to maturity:										
State and municipal securities [1]	—	—	—	—	5,174	5.00	7,000	2.50	12,174	3.56
Securities carried at fair value through income:										
State and municipal securities [1]	—	—	—	—	—	—	6,368	4.75	6,368	4.75
Total	$ 39,652	0.54	$ 323,977	1.67	$ 351,302	3.83	$ 945,095	2.28	$ 1,660,026	2.45

(1) Tax-exempt security yields are calculated without consideration of their tax benefit status.

The contractual maturity of mortgage-backed securities and collateralized mortgage obligations is not a reliable indicator of their expected life because borrowers have the right to prepay their obligations at any time. Mortgage-backed securities and collateralized mortgage obligations are typically issued with stated principal amounts and are backed by pools of mortgage loans and other loans with varying maturities. The term of the underlying mortgages and loans may vary significantly due to the ability of a borrower to prepay outstanding amounts. Monthly pay downs on mortgage-backed securities tend to cause the average life of the securities to be much different from the stated contractual maturity. During a period of increasing interest rates, fixed rate mortgage-backed securities do not tend to experience heavy prepayments of principal, and, consequently, the average life of this security is typically lengthened. If interest rates begin to fall, prepayments may increase, thereby shortening the estimated average life of these securities.

Other than securities issued by government agencies or government sponsored enterprises, we did not own securities of any one issuer for which aggregate cost exceeded 10.0% of consolidated stockholders' equity at December 31, 2022 or 2021. Additionally, we do not hold any Fannie Mae or Freddie Mac preferred stock, collateralized debt obligations, structured investment vehicles or second lien elements in the investment portfolio, nor does the investment portfolio contain any securities that are directly backed by subprime or Alt-A mortgages.

Securities Carried at Fair Value through Income

At December 31, 2022 and 2021, we held one fixed rate community investment bond of $6.4 million and $7.5 million, respectively. We elected the fair value option on this security to offset corresponding changes in the fair value of related interest rate swap agreements.

Deposits

Deposits are the primary funding source used to fund our loans, investments and operating needs. We offer a variety of products designed to attract and retain both consumer and commercial deposit customers. These products consist of noninterest and interest-bearing checking accounts, savings deposits, money market accounts and time deposits. Deposits are primarily gathered from individuals, partnerships and corporations in our market areas. We also obtain deposits from local municipalities and state agencies.

Our deposit balances were impacted by the merger with BTH that occurred on August 1, 2022. At the merger date, we assumed BTH deposits of $758.4 million in interest-bearing demand deposits, $398.1 million in noninterest-bearing demand deposits, $302.5 million in time deposits and $107.5 million in savings deposits, resulting in an overall $1.57 billion increase to our deposit balances at the merger date.

At December 31, 2022, all deposit categories increased when compared to December 31, 2021, with interest-bearing demand and noninterest-bearing deposits increasing by $325.1 million, or 23.0%, and $319.0 million, or 14.7%, respectively, compared to December 31, 2021. Excluding the deposits acquired in the BTH merger at August 1, 2022, total deposit balances decreased by $361.5 million, or 5.5%, with the remaining BTH-originated deposits totaling $1.45 billion at December 31, 2022.

The following table presents our deposit mix at the dates indicated:

	December 31, 2022		December 31, 2021			
(Dollars in thousands)	Balance	% of Total	Balance	% of Total	$ Change	% Change
Noninterest-bearing demand	$ 2,482,475	32.0 %	$ 2,163,507	32.9 %	$ 318,968	14.7 %
Money market	2,442,559	31.4	2,204,109	33.5	238,450	10.8
Interest-bearing demand	1,737,158	22.3	1,412,089	21.5	325,069	23.0
Time deposits	787,287	10.1	543,128	8.3	244,159	45.0
Savings	326,223	4.2	247,860	3.8	78,363	31.6
Total deposits	$ 7,775,702	100.0 %	$ 6,570,693	100.0 %	$ 1,205,009	18.3

We manage our interest expense on deposits through specific deposit product pricing that is based on competitive pricing, economic conditions and current and anticipated funding needs. We may use interest rates as a mechanism to attract or deter additional deposits based on our anticipated funding needs and liquidity position. We also consider potential interest rate risk caused by extended maturities of time deposits when setting the interest rates in periods of future economic uncertainty.

The following table reflects the classification of our average deposits and the average rate paid on each deposit category for the periods indicated:

	Year Ended December 31,								
	2022			2021			2020		
(Dollars in thousands)	Average Balance	Interest Expense	Average Rate Paid	Average Balance	Interest Expense	Average Rate Paid	Average Balance	Interest Expense	Average Rate Paid
Interest-bearing demand	$ 1,545,581	$ 11,007	0.71 %	$ 1,396,805	$ 2,822	0.20 %	$ 1,170,913	$ 5,179	0.44 %
Money market	2,233,390	17,501	0.78	2,011,827	5,863	0.29	1,553,376	9,816	0.63
Time deposits	616,197	4,484	0.73	607,742	4,576	0.75	735,297	11,935	1.62
Savings	288,010	517	0.18	232,081	157	0.07	180,298	220	0.12
Total interest-bearing	4,683,178	33,509	0.72	4,248,455	13,418	0.32	3,639,884	27,150	0.75
Noninterest-bearing demand	2,422,132	—	—	1,905,045	—	—	1,499,936	—	—
Total average deposits	$ 7,105,310	$ 33,509	0.47	$ 6,153,500	$ 13,418	0.22	$ 5,139,820	$ 27,150	0.53

Our average deposit balance was $7.11 billion for the year ended December 31, 2022, an increase of $951.8 million, or 15.5%, from $6.15 billion for the year ended December 31, 2021. The average annualized rate paid on our interest-bearing deposits for the year ended December 31, 2022, was 0.72%, compared to 0.32% for the year ended December 31, 2021.

The increase in the average cost of our deposits was primarily the result of the rising interest rate environment experienced during the year ended December 31, 2022. Recently, we have managed our deposit interest expense by the strategic release of non-relationship, higher-rate deposits during 2022; however, our current deposit rates have not yet completely absorbed all of the market interest rate increases that have occurred during the year ended December 31, 2022.

Average noninterest-bearing deposits at December 31, 2022, were $2.42 billion, compared to $1.91 billion at December 31, 2021, an increase of $517.1 million, or 27.1%, and represented 34.1% and 31.0% of average total deposits for the year ended December 31, 2022 and 2021, respectively.

The following table presents the maturity distribution of our time deposits and the amount of such deposits in excess of the FDIC insurance limit at December 31, 2022. There were no otherwise uninsured time deposits below the FDIC insurance limit at December 31, 2022. The estimated total amount of uninsured deposits at December 31, 2022 and 2021, was $4.19 billion and $3.79 billion, respectively.

(Dollars in thousands) Remaining maturity:	U.S. Time Deposits in Excess of the FDIC Insurance Limit	Total Time Deposits
3 months or less	$ 31,037	$ 140,532
Over 3 through 6 months	32,181	100,360
Over 6 through 12 months	68,660	298,871
Over 12 months	47,093	247,524
Total	$ 178,971	$ 787,287

Borrowings

Borrowed funds are summarized as follows:

(Dollars in thousands)	December 31, 2022	December 31, 2021
Short-term FHLB advances	$ 550,000	$ —
Long-term FHLB advances	6,740	256,999
GNMA repurchase liability	24,569	43,355
Overnight repurchase agreements with depositors	27,921	9,447
Holding company line of credit	30,000	—
Total FHLB advances and other borrowings	$ 639,230	$ 309,801
Subordinated indebtedness, net	$ 201,765	$ 157,417

Short-term FHLB advances increased $550.0 million at December 31, 2022, compared to December 31, 2021, primarily due to a combination of the organic growth of $619.2 million in loan balances, decline in cash and cash equivalents of $346.6 million, pay down of $250.3 million in long-term FHLB advances and decrease in deposit balances, excluding BTH assumed deposits, of $240.2 million compared to December 31, 2021. We used funds generated primarily from the sale of BTH-acquired available for sale investment securities, to reduce our balances in long-term FHLB advances and support our loan growth.

Our long-term debt consists of advances from the FHLB with original maturities greater than one year and the subordinated indebtedness captioned and described below. Interest rates for FHLB long-term advances outstanding at December 31, 2022, ranged from 1.99% to 4.57% and were subject to restrictions or penalties in the event of prepayment. Interest rates for FHLB long-term advances outstanding at December 31, 2021, ranged from 1.65% to 4.57%.

In conjunction with the BTH merger, the Company assumed certain repurchase agreements with former BTH depositors that included the sale and repurchase of BTH investment securities of at least equal to the daily balance of the BTH depositor's account, subject to maximum limitations, with various maturity dates. These BTH repurchase agreements were restructured and integrated into the Company's repurchase agreements which include the sale and repurchase of investment securities and mature on a daily basis. The total overnight repurchase agreements with depositors carried a daily average interest rate of 0.24% for the year ended December 31, 2022, and 0.08% for the year ended December 31, 2021.

At December 31, 2022, we held 28 unfunded letters of credit from the FHLB totaling $277.4 million with expiration dates ranging from January 14, 2023, to September 22, 2027. These letters of credit either support pledges for our public fund deposits or confirm letters of credit we have issued to support our customers' businesses. Security for all indebtedness and outstanding commitments to the FHLB consists of a blanket floating lien on all of our first mortgage loans, commercial real estate and other real estate loans, as well as our investment in capital stock of the FHLB and deposit accounts at the FHLB. The net amounts available under the blanket floating lien at December 31, 2022 and 2021, were $1.29 billion and $982.2 million, respectively.

Additionally, at December 31, 2022, we had the ability to borrow $1.23 billion from the discount window at the Federal Reserve Bank of Dallas ("FRB"), with $1.76 billion in commercial and industrial loans pledged as collateral. There were no borrowings against this line at December 31, 2022.

Holding Company Line of Credit

The Company has a line of credit under the terms of which the loan amount shall not exceed an aggregate principal balance of $100 million, consisting of an initial $50 million extension of credit and any one or more potential incremental revolving loan amounts that the lender may make in its sole discretion, up to an aggregate principal of $50 million, upon the request of the Company. The revolving line of credit matures on October 27, 2023, and the Company had $30.0 million and zero outstanding on this revolving credit loan under the Loan Agreement at December 31, 2022 and 2021, respectively. For additional information regarding our holding company line of credit, please see *Note 12 - Borrowings* in the notes to our consolidated financial statements contained in Item 8 of this report.

Subordinated Indebtedness

Included in subordinated indebtedness, net in the table above, are $37.6 million of subordinated promissory notes ("BTH Notes") assumed from BTH in conjunction with the merger on August 1, 2022. The BTH Notes are intended to qualify for Tier 2 capital treatment and are substantively identical in terms and conditions, including priority, except for the maturity dates and interest rates payable on the notes. Interest is payable on the BTH Notes quarterly, and the principal amount of each BTH Note is payable at maturity. After the five-year anniversary of issuance, the Company can redeem the BTH Notes in part or in full at the Company’s discretion and, if applicable, subject to receipt of any required regulatory approvals. In addition, the BTH Notes can be redeemed at any time without penalty, upon not less than ten days’ notice, in the event that (i) the BTH Notes no longer qualify as Tier 2 capital as a result of any amendment or change in interpretation or application of laws or regulation that becomes effective after the date of issuance of the BTH Notes, (ii) a tax event, or (iii) investment company act event, as defined in the BTH Notes. The BTH Notes are unsecured and rank senior to the Company’s common stock, any preferred stock that may be issued, and the BTH TruPS (defined below).

In February 2020, Origin Bank completed an offering of $70.0 million in aggregate principal amount of 4.25% fixed-to-floating rate subordinated notes due 2030 (the “4.25% Notes”) to certain investors in a transaction exempt from registration under Section 3(a)(2) of the Securities Act of 1933, as amended. The 4.25% Notes initially bear interest at a fixed annual rate of 4.25%, payable semi-annually in arrears, to but excluding February 15, 2025. From and including February 15, 2025, to but excluding the maturity date or early redemption date, the interest rate will equal the three-month LIBOR rate (provided that in the event the three-month LIBOR is less than zero, the three-month LIBOR will be deemed to be zero) plus 282 basis points, payable quarterly in arrears, subject to customary fallback provision upon the discontinuation of LIBOR. Origin Bank is entitled to redeem the 4.25% Notes, in whole or in part, on or after February 15, 2025, and to redeem the 4.25% Notes at any time in whole upon certain other specified events. The 4.25% Notes qualify as Tier 2 capital for regulatory capital purposes for Origin Bank.

In October 2020, the Company completed of an offering of $80.0 million in aggregate principal amount of 4.50% fixed-to-floating rate subordinated notes due 2030 (the “4.50% Notes”). The 4.50% Notes bear a fixed interest rate of 4.50%, payable semi-annually in arrears, to but excluding November 1, 2025. From and including November 1, 2025, to but excluding the maturity date or earlier redemption date, the 4.50% Notes bear a floating interest rate expected to equal the three-month term Secured Overnight Financing Rate plus 432 basis points, payable quarterly in arrears. The Company may redeem the 4.50% Notes at any time upon certain specified events or in whole or in part on or after November 1, 2025. The 4.50% Notes qualify as Tier 2 capital for regulatory capital purposes for the Company and a portion of the proceeds was transferred to Origin Bank during the fourth quarter of 2020, which qualifies as Tier 1 capital for regulatory capital purposes for the Bank.

On August 1, 2022, the Company assumed BTH's obligations with respect to $7.2 million in aggregate principal amount of junior subordinated debentures issued to a statutory trust of BTH ("BTH TruPS"). The BTH TruPS and the Company's two other wholly-owned, unconsolidated subsidiary grantor trusts were established for the purpose of issuing trust preferred securities. The trust preferred securities accrue and pay distributions periodically at specified annual rates as provided in each trust agreement. The trusts used the net proceeds from each of the offerings to purchase a like amount of junior subordinated debentures (the "debentures") of the Company. The debentures are the sole assets of the trusts. The Company's obligations under the debentures and related documents, taken together, constitute a full and unconditional guarantee by the Company of the obligations of the trusts. The trust preferred securities are mandatorily redeemable upon maturity of the debentures and can be currently redeemed by the Company in whole or in part, at a redemption price equal to 100% of the outstanding principal amount of the debentures, plus any accrued but unpaid interest to the redemption date. The trust preferred securities qualify as Tier 1 capital of the Company for regulatory purposes, subject to certain limitations.

For additional information regarding our outstanding subordinated indebtedness, including the junior subordinated debentures underlying legacy issuances of trust preferred securities, please see *Note 12 - Borrowings* in the notes to our consolidated financial statements contained in Item 8 of this report.

Liquidity and Capital Resources

Management oversees our liquidity position to ensure adequate cash and liquid assets are available to support our operations and satisfy current and future financial obligations, including demand for loan funding and deposit withdrawals. Management continually monitors, forecasts and tests our liquidity and non-core dependency ratios to ensure compliance with targets established by our Asset-Liability Management Committee and approved by our board of directors.

Management measures our liquidity position by giving consideration to both on-balance sheet and off-balance sheet sources of and demands for funds on a daily and weekly basis. At December 31, 2022 and 2021, our cash and liquid securities totaled 12.1% and 23.2% of total assets, respectively, providing liquidity to support our existing operations.

The Company, which is a separate legal entity apart from the Bank, must provide for its own liquidity, including to fund payment of any dividends that may be declared for our common stockholders and interest and principal on any outstanding debt or trust preferred securities incurred by the Company. The Company had available cash balances of $99.8 million and $28.9 million at December 31, 2022 and 2021, respectively. This cash is available for the general corporate purposes described above, as well as providing capital support to the Bank and financing potential future acquisitions. In addition, the Company has a line of credit under the terms of which the loan amount shall not exceed an aggregate principal balance of $100 million, consisting of an initial $50 million extension of credit and any one or more potential incremental revolving loan amounts that the lender may make in its sole discretion, up to an aggregate principal of $50 million, upon the request of the Company. See *Note 12 - Borrowings* to our consolidated financial statements contained in Item 8 of this report for more information on the holding company line of credit.

There are regulatory restrictions on the ability of the Bank to pay dividends under federal and state laws, regulations and policies. See "Item 1. Business - Regulation and Supervision" above for more information.

Currently, we believe we have sufficient liquidity from our available on- and off-balance sheet liquidity sources, however, should market conditions change, we may take action to enhance our financial flexibility.

In addition to cash generated from operations, we utilize a number of funding sources to manage our liquidity, including core deposits, investment securities, cash and cash equivalents, loan repayments, federal funds lines of credit available from other financial institutions, as well as advances from the FHLB. We may also use the discount window at the FRB as a source of short-term funding.

Core deposits, which are total deposits excluding time deposits greater than $250,000 and brokered deposits, are a major source of funds used to meet cash flow needs. Maintaining the ability to acquire these funds as needed in a variety of markets is the key to assuring our liquidity.

The investment portfolio is another source for meeting our liquidity needs. Monthly payments on mortgage-backed securities are used for short-term liquidity, and our investments are generally traded in active markets that offer a readily available source of cash through sales, if needed. Securities in our investment portfolio are also used to secure certain deposit types, such as deposits from state and local municipalities, and can be pledged as collateral for other borrowing sources.

Other sources available for meeting liquidity needs include long- and short-term advances from the FHLB, and federal funds lines of credit. Long-term funds obtained from the FHLB are primarily used as an alternative source to fund long-term growth of the balance sheet by supporting growth in loans and other long-term interest-earning assets. We typically rely on such funding when the cost of such borrowings compares favorably to the rates that we would be required to pay for other funding sources, including certain deposits. See *Note 12 - Borrowings* to our consolidated financial statements contained in Item 8 of this report for additional borrowing capacity and outstanding advances at the FHLB.

We also had unsecured federal funds lines of credit available to us, with no amounts outstanding at either December 31, 2022 or 2021. These lines of credit primarily provide short-term liquidity and in order to ensure availability of these funds, we test these lines of credit at least annually. Interest is charged at the prevailing market rate on federal funds purchased and FHLB advances.

Additionally, we had the ability to borrow at the discount window of the FRB using our commercial and industrial loans as collateral. There were no borrowings against this line at December 31, 2022.

In the normal course of business as a financial services provider, we enter into various financial instruments, such as certain contractual obligations and commitments to extend credit and letters of credit, to meet the financing needs of our customers. These commitments are discussed in more detail in *Note 19 - Commitments and Contingencies* to our consolidated financial statements contained in Item 8 of this report.

Stockholders' Equity

Stockholders' equity provides a source of permanent funding, allows for future growth and provides a degree of protection to withstand unforeseen adverse developments. Changes in stockholders' equity is reflected below:

(Dollars in thousands)	Total Stockholders' Equity
Balance at January 1, 2022	$ 730,211
Net income	87,715
Other comprehensive loss, net of tax	(165,604)
BTH Merger	306,344
Dividends declared - common stock ($0.58 per share)	(15,934)
Other	7,211
Balance at December 31, 2022	$ 949,943

Stock Repurchases

In July 2019, the Company's board of directors authorized a stock repurchase program, pursuant to which the Company was authorized to purchase up to $40 million of its outstanding common stock. The stock repurchase program was approved for a period of three years and expired in June 2022, having repurchased a total of $28.0 million of outstanding common stock. In July 2022, the Board of Directors of the Company authorized a stock repurchase program pursuant to which the Company may, from time to time, purchase up to $50 million of its outstanding common stock. The shares may be repurchased in the open market or in privately negotiated transactions from time to time, depending upon market conditions and other factors, and in accordance with applicable regulations of the Securities and Exchange Commission. The stock repurchase program is intended to expire in three years but may be terminated or amended by the Board of Directors at any time. The stock repurchase program does not obligate the Company to purchase any shares at any time.

There were no stock repurchases during the year ended December 31, 2022.

The Inflation Reduction Act of 2022 signed into law during in August 2022 includes a provision for an excise tax equal to 1% of the fair market value of any stock repurchased by covered corporations during a taxable year, subject to certain limits and provisions. The excise tax is effective beginning in 2023. While we may complete transactions subject to the new excise tax, we do not expect a material impact to our financial condition or result of operations.

Regulatory Capital Requirements

Together with the Bank, we are subject to various regulatory capital requirements administered by federal banking agencies. For further information, these requirements are discussed in greater detail in "*Item 1. Business - Regulation and Supervision,*". Failure to meet minimum capital requirements may result in certain actions by regulators that, if enforced, could have a direct material effect on our financial statements. At December 31, 2022 and 2021, we and the Bank were in compliance with all applicable regulatory capital requirements, and the Bank was classified as "well capitalized" for purposes of the prompt corrective action regulations of the Federal Reserve. As we deploy capital and continue to grow operations, regulatory capital levels may decrease depending on the level of earnings. However, we expect to monitor and control growth in order to remain "well capitalized" under applicable regulatory guidelines and in compliance with all applicable regulatory capital standards. While we are currently classified as "well capitalized," an extended economic recession could adversely impact our reported and regulatory capital ratios.

The following table presents our regulatory capital ratios, as well as those of the Bank, at the dates indicated:

(Dollars in thousands)	December 31, 2022		December 31, 2021	
Origin Bancorp, Inc.	**Amount**	**Ratio**	**Amount**	**Ratio**
Common equity Tier 1 capital (to risk-weighted assets)	$ 906,859	10.93 %	$ 681,039	11.20 %
Tier 1 capital (to risk-weighted assets)	922,584	11.12	690,448	11.36
Total capital (to risk-weighted assets)	1,180,665	14.23	897,503	14.77
Tier 1 capital (to average total consolidated assets)	922,584	9.66	690,448	9.20
Origin Bank				
Common equity Tier 1 capital (to risk-weighted assets)	$ 952,579	11.50 %	$ 724,440	11.97 %
Tier 1 capital (to risk-weighted assets)	952,579	11.50	724,440	11.97
Total capital (to risk-weighted assets)	1,109,257	13.39	852,825	14.09
Tier 1 capital (to average total consolidated assets)	952,579	9.94	724,440	9.66

Item 7A. Quantitative and Qualitative Disclosures about Market Risk

Interest Rate Sensitivity and Market Risk

As a financial institution, our primary component of market risk is interest rate volatility. Our financial management policy provides management with guidelines for effective funds management and we have established a measurement system for monitoring the net interest rate sensitivity position.

Fluctuations in interest rates will ultimately impact both the level of income and expense recorded on most of our assets and liabilities, and the market value of all interest-earning assets and interest-bearing liabilities, other than those which have a short-term to maturity. Interest rate risk is the potential for economic losses due to future interest rate changes. These economic losses can be reflected as a loss of future net interest income and/or a loss of current fair market values. The objective is to measure the effect on net interest income and to adjust the consolidated balance sheets to minimize the inherent risk while at the same time maximizing income.

We manage exposure to interest rates by structuring the consolidated balance sheets in the ordinary course of business. Additionally, from time to time, we enter into derivatives and futures contracts to mitigate interest rate risk from specific transactions. Based on the nature of operations, we are not subject to foreign exchange or commodity price risk. We have entered into interest rate swaps to mitigate interest rate risk in limited circumstances, but it is not our policy to enter into such transactions on a regular basis.

Our exposure to interest rate risk is managed by the Bank's Asset-Liability Management Committee in accordance with policies approved by the Bank's board of directors. The committee formulates strategies based on appropriate levels of interest rate risk. In determining the appropriate level of interest rate risk, the committee considers the impact on earnings and capital of the current outlook on interest rates, potential changes in interest rates, regional economies, liquidity, business strategies and other factors.

The committee meets regularly to review, among other things, the sensitivity of assets and liabilities to interest rate changes, the book and market values of assets and liabilities, unrealized gains and losses, purchase and sale activities, commitments to originate loans and the maturities of investments and borrowings. Additionally, the committee reviews liquidity, cash flow flexibility, maturities of deposits and consumer and commercial deposit activity. We employ methodologies to manage interest rate risk, which includes an analysis of relationships between interest-earning assets and interest-bearing liabilities, and an interest rate shock simulation model.

We use interest rate risk simulation models and shock analyses to test the interest rate sensitivity of net interest income and fair value of equity, and the impact of changes in interest rates on other financial metrics. Contractual maturities and re-pricing opportunities of loans are incorporated in the model, as are prepayment assumptions, maturity data and call options within the investment portfolio. The average life of non-maturity deposit accounts is based on our balance retention rates using a vintage study methodology. The assumptions used are inherently uncertain, and, as a result, the model cannot precisely measure future net interest income or precisely predict the impact of fluctuations in market interest rates on net interest income. Actual results will differ from the model's simulated results due to timing, magnitude and frequency of interest rate changes as well as changes in market conditions and the application and timing of various management strategies.

On a quarterly basis, we run various simulation models, including a static balance sheet and a dynamic growth balance sheet. These models test the impact on net interest income and fair value of equity from changes in market interest rates under various scenarios. Under the static model, rates are shocked instantaneously and ramped rates change over a twelve-month and twenty-four-month horizon based upon parallel yield curve shifts. Parallel shock scenarios assume instantaneous parallel movements in the yield curve compared to a flat yield curve scenario. Additionally, we run a non-parallel simulation involving analysis of interest income and expense under various changes in the shape of the yield curve. Internal policy regarding interest rate risk simulations currently specifies that for instantaneous parallel shifts of the yield curve, estimated net interest income at risk for the subsequent one-year period should not decline by more than 8.0% for a 100 basis point shift, 15.0% for a 200 basis point shift, 20.0% for a 300 basis point shift, and 25.0% for a 400 basis point shift. We continue to monitor our asset sensitivity and evaluate strategies to prevent being significantly impacted by future changes in interest rates.

The following table summarizes the impact of an instantaneous, sustained simulated change in net interest income and fair value of equity over a 12-month horizon at the date indicated:

	December 31, 2022	
Change in Interest Rates (basis points)	**% Change in Net Interest Income**	**% Change in Fair Value of Equity**
+400	14.2 %	(3.5)%
+300	10.6	(3.4)
+200	7.1	(2.1)
+100	3.6	(0.9)
Base		
-100	(2.3)	0.4
-200	(6.7)	(1.5)
-300	(15.5)	(7.2)

We have found that, historically, interest rates on deposits change more slowly than changes in the discount and federal funds rates. This assumption is incorporated into the simulation model and is generally not fully reflected in a gap analysis, meaning that process by which we measure the gap between interest rate sensitive assets versus interest rate sensitive liabilities. The assumptions incorporated into the model are inherently uncertain and, as a result, the model cannot precisely measure future net interest income or precisely predict the impact of fluctuations in market interest rates on net interest income. Actual results will differ from the model's simulated results due to timing, magnitude and frequency of interest rate changes, as well as changes in market conditions and the application and timing of various strategies.

Economic conditions and growth prospects are currently impacted by record inflation and recessionary concerns. Increasing interest rates and rising building costs have caused some slowing in the single family housing market. Furthermore, worker shortages especially in the restaurant, hospitality and retail industries, combined with supply chain disruptions impacting numerous industries, and inflationary conditions has had some impact on the level of economic growth. Ongoing higher inflation levels and higher interest rates could have a negative impact on both our consumer and commercial borrowers.

The Federal Reserve Board sets various benchmark rates, including the Federal Funds rate, and thereby influences the general market rates of interest, including the loan and deposit rates offered by financial institutions and the fair value of our available for sale securities. During 2022, the Federal Reserve increased the federal funds target rate range seven times from 25 to 450 basis points, which is the primary reason for the other comprehensive loss we have experienced during the year ended December 31, 2022.

Impact of Inflation

Our financial statements included herein have been prepared in accordance with U.S. GAAP, which presently requires us to measure the majority of our financial position and operating results primarily in terms of historic dollars. Changes in the relative value of money due to inflation or recession are generally not considered.

Unlike most industrial companies, virtually all of the assets and liabilities of a financial institution are monetary in nature. As a result, interest rates have a more significant impact on a financial institution’s performance than the general level of inflation. However, inflation affects financial institutions by increasing their cost of goods and services purchased, as well as the cost of salaries and benefits, occupancy expense, and similar items. Inflation and related increases in interest rates generally decrease the market value of investments and loans held and may adversely affect liquidity, earnings, and stockholders’ equity. In management’s opinion, changes in interest rates affect the financial condition of a financial institution to a far greater degree than changes in the inflation rate. While interest rates are greatly influenced by changes in the inflation rate, they do not necessarily change at the same rate or in the same magnitude as the inflation rate. Interest rates are highly sensitive to many factors that are beyond our control, including changes in the expected rate of inflation, the influence of general and local economic conditions and the monetary and fiscal policies of the United States government, its agencies and various other governmental regulatory authorities.

Market Risk

Regulators expect banks to transition away from the use of the London Interbank Offered Rate ("LIBOR") as a reference rate. It is expected that the transition away from the widespread use of LIBOR to alternative rates will continue to occur over the course of the next several months, ahead of the FCA's announced cessation of the remaining LIBOR settings by June 30, 2023. Please see "*Item 1A Risk Factors - Risks Related to Our Business"* included in this report for further information.

Item 8. Financial Statements and Supplementary Data

ORIGIN BANCORP, INC.

Financial Statements

DECEMBER 31, 2022, 2021 and 2020

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Report of Independent Registered Public Accounting Firm

To the Shareholders, Board of Directors and Audit Committee
Origin Bancorp, Inc.
Ruston, Louisiana

Opinion on the Consolidated Financial Statements

We have audited the accompanying consolidated balance sheets of Origin Bancorp, Inc. (the Company) as of December 31, 2022 and 2021, the related consolidated statements of income, comprehensive income (loss), changes in stockholders' equity and cash flows for each of the years in the three-year period ended December 31, 2022, and the related notes (collectively referred to as the "financial statements"). In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31 2022 and 2021, and the results of its operations and its cash flows for each of the years in the three-year period ended December 31, 2022, in conformity with accounting principles generally accepted in the United States of America.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) ("PCAOB"), the Company's internal control over financial reporting as of December 31, 2022, based on criteria established in *Internal Control – Integrated Framework: (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) and our report dated February 22, 2023, expressed an unqualified opinion thereon.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits.

We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matters

The critical audit matters communicated below are matters arising from the current-period audit of the financial statements that were communicated or required to be communicated to the audit committee and that: (1) relate to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

Allowance for Credit Losses

The Company's loan portfolio totaled $7.09 billion as of December 31, 2022, and the allowance for credit losses on loans was $87.2 million. The Company's unfunded loan commitments totaled $2.7 billion, with an allowance for credit losses of $4.6 million. The Company's available-for-sale and held-to-maturity securities portfolios totaled $1.7 billion as of December 31, 2022, and the allowance for credit losses on securities was $899,000. Together these amounts represent the allowance for credit losses ("ACL").

Report of Independent Registered Public Accounting Firm

As more fully described in *Notes 1, 4, 5* and *19* to the Company's consolidated financial statements, the Company estimates its exposure to expected credit losses as of the balance sheet date, for existing financial instruments held at amortized cost, securities classified as available for sale and off-balance sheet exposures, such as unfunded loan commitments, letters of credit and other financial guarantees that are not unconditionally cancellable by the Company.

The determination of the ACL requires management to exercise significant judgment and consider numerous subjective factors, including determining qualitative factors utilized to adjust historical loss rates, loan credit risk grading and identifying loans requiring individual evaluation among others. As disclosed by management, different assumptions and conditions could result in a materially different amount for the estimate of the ACL.

We identified the valuation of the ACL at December 31, 2022 as a critical audit matter. Auditing the valuation of the ACL involved a high degree of subjectivity in evaluating management's estimates, such as evaluating management's identification of credit quality indicators, grouping of loans determined to be similar into pools, estimating the remaining life of loans in a pool, assessment of economic conditions and other environmental factors, evaluating the adequacy of specific allowances associated with individually evaluated loans and assessing the appropriateness of loan credit risk grades.

The primary procedures we performed as of December 31, 2022, to address this critical audit matter included:

- Obtained an understanding of the Company's process for establishing the ACL.
- Tested the design and operating effectiveness of controls, including those related to technology, over the allowance for loan credit losses, including:
    - loan data completeness and accuracy,
    - reconciliation of loan balances accounted for at amortized cost to underlying detail,
    - classifications of loans by loan pool,
    - historical charge-off data,
    - the calculation of loss rates given probability of default and loss given default,
    - review of commercial real-estate appraisals,
    - the calculation of estimated remaining lives of the loans,
    - the establishment of qualitative adjustments,
    - loan credit risk ratings,
    - establishment of specific ACL on individually evaluated loans,
    - and management's review and disclosure controls over the ACL;
- Tested of completeness and accuracy of the information utilized in the ACL, including evaluating the relevance and reliability of such information;
- Tested the ACL model's computational accuracy such as probability of default, loss given default and estimated remaining lives of loans;
- Evaluated the qualitative adjustments to the ACL including assessing the basis for adjustments and the reasonableness of the significant assumptions;
- Tested the loan review functions and evaluated the reasonableness of loan credit risk ratings;
- Evaluated the reasonableness of specific allowances on individually evaluated loans;
- Evaluated the overall reasonableness of assumptions used by management considering trends identified within peer groups;

Report of Independent Registered Public Accounting Firm

- Evaluated the accuracy and completeness of Accounting Standards Update 2016-13, *Financial Instruments – Credit Losses (Topic 326)*, disclosures in the consolidated financial statements;
- Evaluated credit quality trends in delinquencies, non-accruals, charge-offs and loan risk ratings;
- Tested estimated utilization rate of unfunded loan commitments;
- Evaluated documentation prepared to assess the methodology utilized by third party performing the ACL calculation for securities for reasonableness.

Acquisition

As described in *Note 3* to the Company's consolidated financial statements, the Company consummated the acquisition of BT Holdings, Inc. and its wholly-owned subsidiary, BTH Bank, on August 1, 2022, resulting in goodwill of approximately $94.5 million being recognized on the Company's consolidated balance sheet. As part of the acquisition, management assessed that the acquisition qualified as a business combination and all identifiable assets and liabilities acquired were valued at fair value as part of the purchase price allocation as of the acquisition date. The identification and valuation of such acquired assets and assumed liabilities requires management to exercise significant judgment. Management utilized outside vendors to assist with estimating the fair value.

We identified the consummated acquisition and the valuation of acquired assets and assumed liabilities as a critical audit matter. Auditing the acquired assets and assumed liabilities and other acquisition-related considerations involved a high degree of subjectivity in evaluating management's fair value estimates and purchase price allocations, including the use of our internal valuation specialists.

The primary procedures we performed to address this critical audit matter included:

- Obtained and read the executed Agreement and Plan of Merger documents to gain an understanding of the underlying terms of the consummated acquisition;
- Testing the design and operating effectiveness of controls including:
  - Proper approval of the acquisition,
  - Completeness and accuracy of opening balance sheet items,
  - Accuracy of the loan level data,
  - Accuracy of the valuations of significant assets acquired and liabilities assumed,
  - Completeness and accuracy of the purchase price allocation, including tax impact,
  - Completeness and accuracy of day 1 journal entries and general ledger mapping,
  - Gap controls are in place from the acquisition date through the date of conversion,
- Assessed management's application of accounting guidance related to the business combination and management's determination of whether the transaction was an acquisition of a business as defined within the ASC 805, *Business Combinations*, framework;
- Assessed the completeness and accuracy of management's purchase accounting model, including the balance sheet acquired and related fair value purchase price allocations made to identified assets acquired and liabilities assumed;
- Obtained and evaluated significant outside vendor valuation estimates, and challenging management's review of the appropriateness of the valuations including but not limited to, testing critical inputs, assumptions applied and valuation models utilized by the outside vendors;
- Tested the completeness and accuracy of management's calculation of total consideration paid;

Report of Independent Registered Public Accounting Firm

- Tested the accuracy of the goodwill calculation resulting from the acquisition, which was the difference between the total consideration paid and the fair value of the net assets acquired;
- Utilized internal valuation specialists to assist with testing the related fair value valuations and purchase price allocations made to identified assets acquired and liabilities assumed;
- Read and evaluated the adequacy of the disclosures made in the notes to the Company's consolidated financial statements.

/s/ FORVIS, LLP (Formerly BKD, LLP)

We have served as the Company's auditor since 2016.

Little Rock, Arkansas
February 22, 2023

ORIGIN BANCORP, INC.
Consolidated Balance Sheets
(Dollars in thousands, except per share amounts)

	December 31, 2022	December 31, 2021
Assets		
Cash and due from banks	$ 150,180	$ 133,334
Interest-bearing deposits in banks	208,792	572,284
Total cash and cash equivalents	358,972	705,618
Securities:		
Available for sale	1,641,484	1,504,728
Held to maturity, net allowance for credit losses of $899 and $167 at December 31, 2022 and 2021, respectively (fair value of $11,970 and $25,117 at December 31, 2022 and 2021, respectively)	11,275	22,767
Securities carried at fair value through income	6,368	7,497
Total securities	1,659,127	1,534,992
Non-marketable equity securities held in other financial institutions	67,378	45,192
Loans held for sale ($25,389 and $37,032 at fair value at December 31, 2022 and 2021, respectively)	49,957	80,387
Loans, net of allowance for credit losses of $87,161 and $64,586 at December 31, 2022 and 2021, respectively	7,002,861	5,166,745
Premises and equipment, net	100,201	80,691
Mortgage servicing rights	20,824	16,220
Cash surrender value of bank-owned life insurance	39,040	38,352
Goodwill	128,679	34,368
Other intangible assets, net	49,829	16,962
Accrued interest receivable and other assets	209,199	141,758
Total assets	$ 9,686,067	$ 7,861,285
Liabilities and Stockholders' Equity		
Noninterest-bearing deposits	$ 2,482,475	$ 2,163,507
Interest-bearing deposits	4,505,940	3,864,058
Time deposits	787,287	543,128
Total deposits	7,775,702	6,570,693
Federal Home Loan Bank ("FHLB") advances, repurchase obligations and other borrowings	639,230	309,801
Subordinated indebtedness, net	201,765	157,417
Accrued expenses and other liabilities	119,427	93,163
Total liabilities	8,736,124	7,131,074
Commitments and contingencies - See *Note 19 - Commitments and Contingencies*	—	—
Stockholders' equity:		
Preferred stock, no par value, 2,000,000 shares authorized	—	—
Common stock ($5.00 par value; 50,000,000 shares authorized; 30,746,600 and 23,746,502 shares issued at December 31, 2022 and 2021, respectively)	153,733	118,733
Additional paid-in capital	520,669	242,114
Retained earnings	435,416	363,635
Accumulated other comprehensive (loss) income	(159,875)	5,729
Total stockholders' equity	949,943	730,211
Total liabilities and stockholders' equity	$ 9,686,067	$ 7,861,285

The accompanying notes are an integral part of these consolidated financial statements.

ORIGIN BANCORP, INC.
Consolidated Statements of Income
(Dollars in thousands, except per share amounts)

	Year Ended December 31,		
	2022	**2021**	**2020**
Interest and dividend income			
Interest and fees on loans	$ 286,150	$ 218,781	$ 209,114
Investment securities-taxable	27,795	14,555	11,302
Investment securities-nontaxable	7,172	6,337	5,428
Interest and dividend income on assets held in other financial institutions	5,487	1,983	2,858
Total interest and dividend income	326,604	241,656	228,702
Interest expense			
Interest-bearing deposits	33,509	13,418	27,150
FHLB advances and other borrowings	9,411	4,654	5,895
Subordinated indebtedness	8,406	7,332	4,121
Total interest expense	51,326	25,404	37,166
Net interest income	275,278	216,252	191,536
Provision for credit losses	24,691	(10,765)	59,900
Net interest income after provision for credit losses	250,587	227,017	131,636
Noninterest income			
Service charges and fees	17,669	15,049	12,998
Insurance commission and fee income	22,869	13,098	12,746
Mortgage banking revenue	6,722	12,927	29,603
Other fee income	3,530	2,879	2,253
Gain on sales of securities, net	1,664	1,748	580
Loss on sales and disposals of other assets, net	(175)	(185)	(1,213)
Limited partnership investment (loss) income	(199)	5,701	78
Swap fee income	457	814	2,546
Other income	4,737	10,162	5,061
Total noninterest income	57,274	62,193	64,652

The accompanying notes are an integral part of these consolidated financial statements.

ORIGIN BANCORP, INC.
Consolidated Statements of Income - Continued
(Dollars in thousands, except per share amounts)

	Year Ended December 31,		
	2022	2021	2020
Noninterest expense			
Salaries and employee benefits	$ 118,971	$ 93,026	91,105
Occupancy and equipment, net	20,203	17,347	17,022
Data processing	10,456	9,117	8,321
Office and operations	8,120	6,399	5,624
Loan-related expenses	6,097	7,688	6,316
Professional services	3,813	3,644	3,975
Electronic banking	3,958	3,563	3,686
Advertising and marketing	4,431	3,438	3,710
Franchise tax expense	3,582	2,538	2,186
Regulatory assessments	3,547	2,904	3,826
Intangible asset amortization	5,488	844	1,060
Communications	1,246	1,574	1,767
Merger-related expense	6,171	—	—
Other expenses	4,336	4,697	3,337
Total noninterest expense	200,419	156,779	151,935
Income before income tax expense	107,442	132,431	44,353
Income tax expense	19,727	23,885	7,996
Net income	$ 87,715	$ 108,546	$ 36,357
Basic earnings per common share	$ 3.29	$ 4.63	$ 1.56
Diluted earnings per common share	3.28	4.60	1.55

The accompanying notes are an integral part of these consolidated financial statements.

ORIGIN BANCORP, INC.
Consolidated Statements of Comprehensive (Loss) Income
(Dollars in thousands)

	Year Ended December 31,		
	2022	**2021**	**2020**
Net income	$ 87,715	$ 108,546	$ 36,357
Other comprehensive (loss) income			
Securities available for sale and transferred securities:			
Net unrealized holding (loss) gain arising during the period	(209,097)	(24,061)	25,646
Net losses realized as a yield adjustment in interest on investment securities	(10)	(10)	(10)
Reclassification adjustment for net gain included in net income	(1,664)	(1,748)	(580)
Change in the net unrealized (loss) gain on investment securities, before tax	(210,771)	(25,819)	25,056
Income tax (benefit) expense related to net unrealized (loss) gain arising during the period	(44,262)	(5,422)	5,262
Change in the net unrealized (loss) gain on investment securities, net of tax	(166,509)	(20,397)	19,794
Cash flow hedges:			
Net unrealized gain (loss) arising during the period	1,161	400	(739)
Reclassification adjustment for gain (loss) included in net income	15	(204)	(134)
Change in the net unrealized gain (loss) on cash flow hedges, before tax	1,146	604	(605)
Income tax expense (benefit) related to net unrealized gain (loss) on cash flow hedges	241	127	(127)
Change in net unrealized position on cash flow hedges, net of tax	905	477	(478)
Other comprehensive (loss) income, net of tax	(165,604)	(19,920)	19,316
Comprehensive (loss) income	$ (77,889)	$ 88,626	$ 55,673

The accompanying notes are an integral part of these consolidated financial statements.

ORIGIN BANCORP, INC.
Consolidated Statements of Changes in Stockholders' Equity
(Dollars in thousands, except per share amounts)

	Common Shares Outstanding	Common Stock	Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Income (loss)	Total Stockholders' Equity
Balance at January 1, 2020	23,480,945	$ 117,405	$ 235,623	$ 239,901	$ 6,333	$ 599,262
Net income	—	—	—	36,357	—	36,357
Other comprehensive income, net of tax	—	—	—	—	19,316	19,316
Impact of adoption of ASU 2016-13 - CECL	—	—	—	(760)	—	(760)
Recognition of stock compensation, net	56,235	281	2,287	—	—	2,568
Dividends declared - common stock ($0.3775 per share)	—	—	—	(8,870)	—	(8,870)
Repurchase of common stock	(30,868)	(154)	(569)	—	—	(723)
Balance at December 31, 2020	23,506,312	117,532	237,341	266,628	25,649	647,150
Net income	—	—	—	108,546	—	108,546
Other comprehensive loss, net of tax	—	—	—	—	(19,920)	(19,920)
Recognition of stock compensation, net	100,410	502	(730)	—	—	(228)
Stock Issuance - Lincoln Agency Acquisition	125,386	627	4,646	—	—	5,273
Stock Issuance - Pulley-White Acquisition	51,962	260	1,925	—	—	2,185
Dividends declared - common stock ($0.49 per share)	—	—	—	(11,539)	—	(11,539)
Repurchase of common stock	(37,568)	(188)	(1,068)	—	—	(1,256)
Balance at December 31, 2021	23,746,502	118,733	242,114	363,635	5,729	730,211
Net income	—	—	—	87,715	—	87,715
Other comprehensive loss, net of tax	—	—	—	—	(165,604)	(165,604)
Recognition of stock compensation, net	205,188	1,025	6,186	—	—	7,211
Options assumed - BTH Merger	—	—	13,687	—	—	13,687
Stock issuance - BTH Merger	6,794,910	33,975	258,682	—	—	292,657
Dividends declared - common stock ($0.58 per share)	—	—	—	(15,934)	—	(15,934)
Balance at December 31, 2022	30,746,600	$ 153,733	$ 520,669	$ 435,416	$ (159,875)	$ 949,943

The accompanying notes are an integral part of these consolidated financial statements.

ORIGIN BANCORP, INC.
Consolidated Statements of Cash Flows
(Dollars in thousands)

	Year Ended December 31,		
Cash flows from operating activities:	**2022**	**2021**	**2020**
Net income	$ 87,715	$ 108,546	$ 36,357
Adjustments to reconcile net income to net cash provided by operating activities:			
Provision for credit losses	24,691	(10,765)	59,900
Depreciation and amortization	12,305	6,830	6,880
Net amortization on securities	8,734	7,758	4,581
Accretion of net premium/discount on purchased loans	(2,840)	—	—
Amortization of investments in tax credit funds	1,659	1,825	1,442
Gain on sale of securities, net	(1,664)	(1,748)	(580)
Deferred income tax expense (benefit)	18,309	6,279	(11,884)
Stock-based compensation expense	3,449	2,295	2,320
Originations of mortgage loans held for sale	(259,202)	(478,325)	(659,188)
Proceeds from mortgage loans held for sale	264,607	542,638	570,349
Gain on mortgage loans held for sale, including origination of mortgage servicing rights	(7,175)	(17,015)	(19,190)
Mortgage servicing rights valuation adjustment	(1,219)	2,593	12,746
Net (gain) loss on disposals of premises and equipment	(19)	82	72
Increase in the cash surrender value of life insurance	(688)	(810)	(917)
Gain on equity securities without a readily determinable fair value	—	(19)	—
Net losses on sales and write-downs of other real estate owned	194	103	1,141
Gain on fair value of previously held interest in Lincoln Agency	—	(5,213)	—
Other operating activities, net	(3,207)	6,432	(3,142)
Net cash provided by operating activities	145,649	171,486	887
Cash flows from investing activities:			
Cash acquired in (paid for) business combination	69,953	(7,457)	—
Purchases of securities available for sale	(558,091)	(717,028)	(700,319)
Maturities and pay downs of securities available for sale	165,328	146,941	151,932
Proceeds from sales and calls of securities available for sale	487,544	44,893	64,702
Purchase of securities held to maturity	(7,000)	—	(10,000)
Maturities, pay downs and calls of securities held to maturity	17,750	15,250	415
Pay downs of securities carried at fair value	275	3,243	452
Net (purchases) sales of non-marketable equity securities held in other financial institutions	(15,818)	17,583	(22,401)
Originations of mortgage warehouse loans	(9,126,356)	(16,121,464)	(13,665,295)
Proceeds from pay-offs of mortgage warehouse loans	9,468,569	16,578,387	12,855,955
Net (increase) decrease in loans, excluding mortgage warehouse and loans held for sale	(949,638)	55,020	(788,719)
Proceeds from bank-owned life insurance	—	11	—
Return of capital and other distributions from limited partnership investments	6,668	—	818
Capital calls on limited partnership investments	(4,057)	(225)	(525)
Purchase of low-income housing tax credit investments	(3,646)	(1,254)	—
Purchases of premises and equipment	(8,466)	(5,015)	(7,198)
Proceeds from sales of premises and equipment	—	18	—
Proceeds from sales of other real estate owned	997	3,949	4,451
Net cash (used in) provided by investing activities	(455,988)	12,852	(2,115,732)

The accompanying notes are an integral part of these consolidated financial statements.

ORIGIN BANCORP, INC.
Consolidated Statements of Cash Flows - Continued
(Unaudited)
(Dollars in thousands)

	Year Ended December 31,		
Cash flows from financing activities:	**2022**	**2021**	**2020**
Net (decrease) increase in deposits	$ (361,450)	$ 819,378	1,522,703
Repayments on long-term FHLB advances	(250,257)	(13,716)	(1,898)
Proceeds from Federal Reserve Bank Paycheck Protection Program Liquidity Facility ("PPPLF")	—	—	319,257
Repayments on PPPLF	—	—	(319,257)
Proceeds from short-term FHLB advances	10,025,000	5,726,000	2,107,000
Repayments on short-term FHLB advances	(9,475,000)	(6,376,000)	(1,557,000)
Issuance of subordinated debentures, net	—	—	147,374
Net increase in other short-term borrowings	30,000	—	—
Net increase (decrease) in securities sold under agreements to repurchase	8,339	1,039	(8,309)
Dividends paid	(15,887)	(11,525)	(8,854)
Cash received from exercise of stock options	2,948	146	248
Common stock repurchased	—	(1,256)	(723)
Net cash (provided by) used in financing activities	(36,307)	144,066	2,200,541
Net (decrease) increase in cash and cash equivalents	(346,646)	328,404	85,696
Cash and cash equivalents at beginning of year	705,618	377,214	291,518
Cash and cash equivalents at end of year	$ 358,972	$ 705,618	$ 377,214
Interest paid	$ 50,104	$ 26,265	$ 36,432
Income taxes (refund) paid	(6,261)	21,164	24,974
Significant non-cash transactions:			
Unsettled liability for investment purchases recorded at trade date	751	8,191	1,514
Real estate acquired in settlement of loans	675	3,889	2,446
(Decrease) increase in GNMA repurchase obligation	(18,786)	(12,130)	27,625
Recognition of operating right-of-use assets	13,428	5,776	1,338
Recognition of operating lease liabilities	13,643	6,310	1,621
Total assets acquired in BTH merger	1,846,598	—	—
Total liabilities assumed in BTH merger	1,633,340	—	—
Common stock issued in BTH merger as consideration	292,657	—	—

The accompanying notes are an integral part of these consolidated financial statements.

Note 1 - Significant Accounting Policies

Nature of Operations. Origin Bancorp, Inc. ("Company") is a financial holding company headquartered in Ruston, Louisiana. The Company's wholly-owned bank subsidiary, Origin Bank ("Bank"), was founded in 1912 in Choudrant, Louisiana. Deeply rooted in Origin's history is a culture committed to providing personalized, relationship banking to businesses, municipalities, and personal clients to enrich the lives of the people in the communities it serves. Origin provides a broad range of financial services and currently operates 59 banking centers located in Dallas/Fort Worth, East Texas, Houston, North Louisiana and Mississippi. The Company principally operates in one business segment, community banking.

Basis of Presentation. The consolidated financial statements include the accounts of the Company and all other entities in which Origin Bancorp, Inc. has a controlling financial interest, including the Bank, and Davison Insurance Agency, LLC ("Davison Insurance"), doing business as Lincoln Agency, LLC (the "Lincoln Agency"), Lincoln Agency Transportation Insurance, Pulley-White Insurance Agency ("Pulley-White"), Reeves, Coon & Funderburg, Simoneaux & Wallace Agency and Thomas & Farr Agency. All significant intercompany balances and transactions have been eliminated in consolidation. The Company's accounting and financial reporting policies conform, in all material respects, to accounting principles generally accepted in the United States ("U.S. GAAP") and to general practices within the financial services industry. The Company has evaluated subsequent events for potential recognition and/or disclosure through the date these consolidated financial statements were issued.

Reclassifications. Certain amounts previously reported have been reclassified to conform to the current presentation. Such reclassifications had no effect on prior year net income or stockholders' equity.

Variable Interest Entities. The Company determines whether it has a controlling financial interest in an entity by first evaluating whether the entity is a voting interest entity or a variable interest entity ("VIE") under U.S. GAAP. Voting interest entities are entities in which the total equity investment at risk is sufficient to enable the entity to finance itself independently and provides the equity holders with the obligation to absorb losses, the right to receive residual returns and the right to make decisions about the entity's activities. The Company consolidates voting interest entities in which it has all, or at least a majority of, the voting interest. As defined in applicable accounting standards, VIEs are entities that lack one or more of the characteristics of a voting interest entity. A controlling financial interest in a VIE is present when an enterprise has both the power to direct the activities of the VIE that most significantly impact the VIE's economic performance and an obligation to absorb losses or the right to receive benefits that could potentially be significant to the VIE. The enterprise with a controlling financial interest, known as the primary beneficiary, consolidates the VIE. The Company's wholly-owned subsidiaries CTB Statutory Trust I, First Louisiana Statutory Trust I and BT Holdings Trust I are VIEs for which the Company is not the primary beneficiary. Accordingly, the accounts of these trusts are not included in the Company's consolidated financial statements.

Operating Segments. Operating segments are components of an enterprise about which separate financial information is available that is evaluated regularly by the chief operating decision-maker in deciding how to allocate resources and in assessing performance. The Bank is the only significant subsidiary upon which management makes decisions regarding how to allocate resources and assess performance. Individual bank branches offer a group of similar services, including commercial, real estate and consumer loans, time deposits, checking and savings accounts, all with similar operating and economic characteristics. While the chief operating decision-maker monitors the revenue streams of the various products and services, operations are managed and financial performance is evaluated on a Company-wide basis. Accordingly, all of the community banking services and branch locations are considered by management to be aggregated into one reportable operating segment, community banking.

Use of Estimates. The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions based on available information that affect the amounts reported in the financial statements and disclosures provided, including the accompanying notes, and actual results could differ. Material estimates that are particularly susceptible to change include the allowance for credit losses for loans and available for sale securities; fair value measurements of assets and liabilities; and income taxes. Estimates and assumptions are reviewed periodically and the effects of revisions are reflected in the Company's consolidated financial statements in the period they are deemed necessary. While management uses its best judgment, actual results could differ from those estimates.

Cash and Cash Equivalents. For purposes of the consolidated statements of cash flows, the Company considers all cash on hand, demand deposits with other banks, federal funds sold and short-term interest-bearing cash items with an original maturity less than 90 days to be cash equivalents. The Company maintains deposits with other financial institutions in amounts that exceed federal deposit insurance coverage. Furthermore, federal funds sold are essentially uncollateralized loans to other financial institutions. Management regularly evaluates the credit risk associated with the counterparties to these transactions and believes that the Company is not exposed to any significant credit risks on cash and cash equivalents.

At December 31, 2022 and 2021 the Company had cash collateral required to be held with counterparties on certain derivative transactions as discussed in *Note 13 - Derivative Financial Instruments*.

Securities. The Company accounts for debt and equity securities as follows:

Available for Sale ("AFS") - Debt securities that will be held for indefinite periods of time, including securities that may be sold in response to changes in market interest or prepayment rates, needs for liquidity and changes in the availability of and the yield of alternative investments are classified as AFS. These assets are carried at fair value. Fair value is determined using published quotes. If quoted market prices are not available, fair values are based on other methods including, but not limited to the discounting of cash flows. Unrealized gains and losses on AFS securities are excluded from earnings and reported net of tax in accumulated other comprehensive (loss) income until realized. Please see the paragraphs under ***Allowance for Credit Losses*** referenced below in this footnote for information on the allowance for credit losses pertaining to AFS securities.

Held to Maturity ("HTM") - Debt securities that management has the positive intent and ability to hold until maturity are classified as HTM and are carried at their remaining unpaid principal balance, net of unamortized premiums or unaccredited discounts. Please see the paragraphs under ***Allowance for Credit Losses*** referenced below in this footnote for information on the allowance for credit losses pertaining to HTM securities.

Securities Carried at Fair Value through Income - Debt securities for which the Company has elected the fair value option for accounting are classified as securities carried at fair value through income. Management has elected the fair value option for these items to offset the corresponding change in fair value of related interest rate swap agreements. Fair value is determined using discounted cash flows and credit quality indicators. Changes in fair value are reported through the consolidated statements of income as a part of other noninterest income.

Interest income on securities includes amortization of purchase premiums and discounts. Premiums and discounts on securities are generally amortized using the interest method with a constant effective yield without anticipating prepayments, except for mortgage-backed securities where prepayments are anticipated. Premiums on callable securities are amortized to their earliest call date. A security is placed on nonaccrual status if (i) principal or interest has been in default for a period of 90 days or more or (ii) full payment of principal and interest is not expected. The Company has made a policy election to exclude accrued interest from the amortized cost basis of debt securities and report accrued interest in other assets in the consolidated balance sheets. Interest accrued but not received for a security placed on nonaccrual status is reversed against interest income. Gains and losses on sales are recorded on the trade date, are derived from the amortized cost of the security sold and are determined using the specific identification method.

Non-marketable Equity Securities Held in Other Financial Institutions. Securities with limited marketability, such as stock in the Federal Reserve Bank of Dallas ("FRB") or the Federal Home Loan Bank of Dallas ("FHLB"), are carried at cost, less impairment, if any. These investments in stock do not have readily determinable fair values. The Company's remaining equity investments in other financial institutions, excluding FRB and FHLB, totaling $15.8 million and $15.7 million at December 31, 2022 and 2021, respectively, qualify for the practicability exception under Accounting Standards Update ("ASU") 2016-01 due to having illiquid markets and are carried at cost, less impairment, plus or minus any observable price changes. The carrying value of these securities was evaluated and was determined not to be impaired during the years ended December 31, 2022 and 2021 .

Loans Held for Sale. Loans held for sale include mortgage loans and are carried at fair value, with unrealized gains and losses recorded in the consolidated statements of income. Please see ***Mortgage Servicing Rights and Transfers of Financial Assets*** below for information on the GNMA repurchase asset which represents the difference between the total loans held for sale on the face of the consolidated balance sheet and the loans held for sale at fair value also shown on the face of the consolidated balance sheet.

Forward commitments to sell mortgage loans are acquired to reduce market risk on mortgage loans in the process of origination and mortgage loans held for sale. The forward commitments acquired by the Company for mortgage loans in process of origination are mandatory forward commitments, and the Company is required to substitute another loan or to buy back the commitment if the original loan does not fund. Typically, the Company delivers the mortgage loans within a few days after the loans are funded. These commitments are derivative instruments carried at fair value.

Gains and losses resulting from sales of mortgage loans are realized when the respective loans are sold to investors. Gains and losses are determined by the difference between the selling price (including the fair value of any items such as mortgage servicing rights) and the carrying amount of the loans sold. Fees received from borrowers to guarantee the funding of mortgage loans held for sale are recognized as income or expense when the loans are sold or when it becomes evident that the commitment will not be used.

Acquisition Accounting and Acquired Loans. The Company accounts for its mergers/acquisitions under Financial Accounting Standards Board ("FASB") Accounting Standards Codification (ASC) Topic 805, Business Combinations, which requires the use of the acquisition method of accounting. All identifiable assets acquired, including loans, are recorded at fair value. In accordance with ASC 326, the Company records a discount or premium and also an allowance for credit losses on acquired loans. All purchased loans are recorded at fair value in accordance with the fair value methodology prescribed in FASB ASC Topic 820, Fair Value Measurements. The fair value estimates associated with the loans include estimates related to expected prepayments and the amount and timing of undiscounted expected principal, interest and other cash flows.

Purchased loans that have experienced more than insignificant credit deterioration since origination are purchased credit deteriorated (“PCD”) loans. The Company evaluates acquired loans for deterioration in credit quality based on any of, but not limited to, the following: (1) non-accrual status; (2) troubled debt restructured designation; (3) risk ratings of special mention, substandard or doubtful; (4) watchlist credits; and (5) delinquency status, including loans that are current on merger/ acquisition date, but had been previously delinquent two times 60 days. An allowance for credit losses is determined using the same methodology as other individually evaluated loans.

The Non-PCD model utilizes data from the Bank in order to determine the probability of default and loss given default to be used in the calculation. The initial allowance for credit losses, determined on a collective basis, is allocated to individual loans. The sum of the loan’s purchase price and allowance for credit losses becomes its initial amortized cost basis. The difference between the initial amortized cost basis and the par value of the loan is a non-credit discount or premium, which is amortized or accreted into interest income over the life of the loan. Subsequent changes to the allowance for credit losses are recorded through the provision for credit losses.

Loans. Loans that management has the intent and ability to hold for the foreseeable future, or until maturity or payoff, are reported at their outstanding unpaid principal balances adjusted for charge-offs, the allowance for credit losses, and any deferred fees or costs on originated loans. Interest income is accrued on the unpaid principal balance. Loan origination fees, and certain direct origination costs, are deferred and amortized as a yield adjustment over the lives of the related loans using the interest method. Late fees are recognized as income when earned, assuming collectability is reasonably assured.

In addition to loans issued in the normal course of business, the Company considers overdrafts on customer deposit accounts to be loans and classifies these overdrafts as loans in its consolidated balance sheets.

Loans are placed on nonaccrual status when management believes that the borrower's financial condition, after giving consideration to economic and business conditions and collection efforts, is such that collection of interest is doubtful, or generally when loans are 90 days or more past due. Loans may be placed on nonaccrual status even if the contractual payments are not past due if information becomes available that causes substantial doubt about the borrower's ability to meet the contractual obligations of the loan. Loans are considered past due or delinquent when the contractual principal or interest due in accordance with the terms of the loan agreement or any portion thereof remains unpaid after the due date of the scheduled payment. When accrual of interest is discontinued, all unpaid accrued interest is reversed. Past due status is based on contractual terms of the loan. Interest income on nonaccrual loans may be recognized to the extent cash payments are received, but payments received are usually applied to principal. Nonaccrual loans are generally returned to accrual status when contractual payments are less than 90 days past due, the customer has made required payments for at least six months, and the Company reasonably expects to collect all principal and interest. If a loan is determined by management to be uncollectible, regardless of size, the portion of the loan determined to be uncollectible is then charged to the allowance for loan credit losses.

Allowance for Credit Losses. The allowance for loan credit losses represents the estimated losses for financial assets accounted for on an amortized cost basis. Expected losses are calculated using relevant information about past events, including historical experience, current conditions, and reasonable and supportable forecasts that affect the collectability of the reported amount. The Company evaluates loans held for investment ("LHFI") on a pool basis with pools of loans characterized by loan type, collateral, industry, internal credit risk rating and Fair Isaac Corporation ("FICO") score. Historical loss rates for each pool are calculated based on charge-off and recovery data beginning with the second quarter of 2012. These loss rates are adjusted for differences between current period conditions, including the economic forecast and the conditions existing during the historical loss period. Historical losses are additionally adjusted for the effects of certain economic variables forecast over a one-year period. Subsequent to the forecast effects, historical loss rates are used to estimate losses over the estimated remaining lives of the loans. The estimated remaining lives consist of the contractual lives, adjusted for estimated prepayments. Loans that exhibit characteristics different from their pool characteristics are evaluated on an individual basis. Certain of these loans are considered to be collateral dependent with the borrower experiencing financial difficulty. For these loans, the fair value of collateral practical expedient is elected whereby the allowance is calculated as the amount by which the amortized cost exceeds the fair value of collateral, less costs to sell (if applicable). Those individual loans that are not collateral dependent are evaluated based on a discounted cash flow methodology. This evaluation is inherently subjective as it requires estimates that are susceptible to significant revision as more information becomes available. Loans are charged off against the allowance for credit losses when management believes the loss is confirmed. Subsequent recoveries, if any, are credited to the allowance.

Delinquency statistics are updated at least monthly and are the most meaningful indicator of the credit quality of one-to-four single-family residential, home equity loans and lines of credit and other consumer loans. Internal risk ratings are considered the most meaningful indicator of credit quality for commercial and industrial, construction, and commercial real estate loans. Internal risk ratings are a key factor in identifying loans that are individually evaluated for impairment and impact management's estimates of loss factors used in determining the amount of the allowance for credit losses. Internal risk ratings are updated on a regular basis.

Troubled debt restructurings ("TDRs") are loans for which the contractual terms on the loan have been modified and both of the following conditions exist: (1) the borrower is experiencing financial difficulty and (2) the restructuring constitutes a concession. Concessions could include a reduction in the interest rate on the loan, payment extensions, forgiveness of principal, forbearance or other actions intended to maximize collection. The Company assesses all loan modifications to determine whether they constitute a TDR.

The allowance for off-balance sheet exposures was determined using the same methodology that is applied to LHFI. Utilization rates are determined based on historical usage.

Credit losses related to available for sale debt securities are recorded through an allowance for credit losses. The amount of the allowance for credit losses is limited to the amount by which fair value is below amortized cost. Discounted cash flow analysis is required for determining credit losses for available for sale securities. In determining whether or not a credit loss exists, such factors as extent of the loss, adverse conditions related to the entity, industry or geographic region, security structure, ratings and changes by a rating agency and past performance are considered. The length of time a security has been in an unrealized loss position is not a factor in determining whether a credit loss exists.

The allowance for credit losses for held-to-maturity securities is calculated using a probability of default, loss given default methodology. Credit losses are estimated over the lives of the securities using historical loss rates, adjusted for current conditions and reasonable and supportable forecasts. Third-party data is used for the historical loss rates and probability of default statistics. The forecast effect is applied over the estimated lives of the securities.

Premises and Equipment, net. Land is carried at cost. Buildings and improvements are stated at cost less accumulated depreciation computed using the straight-line method over the estimated useful lives of the assets, which range from 35 to 39 years. Furniture, fixtures, and equipment are stated at cost less accumulated depreciation computed using the straight-line method over the estimated useful lives of the assets, which range from three to seven years.

Leases. The Company determines if an arrangement is a lease at inception. Operating lease assets are included in accrued interest receivable and other assets, operating lease liabilities are included in accrued expenses and other liabilities in the Company's consolidated balance sheets. The Company has made an accounting policy election not to recognize short-term lease assets and liabilities (less than a 12-month term) or immaterial equipment and server space leases in its consolidated balance sheets; instead, the Company recognizes the lease expense for these leases on a straight-line basis over the life of the lease. The Company has no material finance leases.

Right of use ("ROU") assets represent the Company's right to use an underlying asset for the lease term and lease liabilities represent the Company's obligation to make lease payments arising from the lease. ROU lease assets and liabilities are recognized at the lease commencement date based on the estimated present value of lease payments over the lease term. The Company uses an estimated incremental collateralized borrowing rate, which is derived from information available at the lease commencement date and gives consideration to the applicable FHLB borrowing rates, when determining the present value of lease payments.

The Company's lease terms include options to extend a lease when it is reasonably certain that the Company will exercise that option. The Company's lease agreements do not contain any residual value guarantees. All of the Company's operating long-term leases are real estate leases, which are accounted for as a single lease component.

Mortgage Servicing Rights and Transfers of Financial Assets*.* Gains or losses on "servicing-retained" loan sale transactions generally include a component reflecting the differential between the contractual interest rate of the loan and the interest rate to be received by the investor. The present value of the estimated future profit for servicing the loans is also taken into account in determining the amount of gain or loss on the sale of these loans. For loans sold servicing-retained, the fair value of mortgage servicing rights is recorded as an asset, with their value estimated using a discounted cash flow methodology to arrive at the present value of future expected earnings from the servicing of the loans. Significant model inputs include prepayment speeds, discount rates, and servicing costs. Servicing revenues are based on a contractual percentage of the outstanding principal or a fixed amount per loan and are recorded as income when earned.

Loans sold into the secondary market are considered transfers of financial assets. These transfers are accounted for as sales when control over the asset has been surrendered, which is deemed to have occurred when: an asset does not have any claims to it by the transferor or their creditors, including in bankruptcy or other receivership situations; the transferee obtains the unconditional right to pledge or exchange the asset; or the transfer does not include a repurchase provision above the limited recourse provisions of these loan sales.

GNMA optional repurchase programs allow financial institutions to buy back individual delinquent mortgage loans that meet certain criteria from the securitized loan pool for which the institution provides servicing. At the servicer's option and without GNMA's prior authorization, the servicer may repurchase a delinquent loan for an amount equal to 100% of the remaining principal balance of the loan. This buy-back option is considered a conditional option until the delinquency criteria are met, at which time the option becomes unconditional. When a financial institution is deemed to have regained effective control over these loans under the unconditional buy-back option, the loans can no longer be reported as sold and must be included in the consolidated balance sheets as mortgage loans held for sale, regardless of whether the institution intends to exercise the buy-back option. These loans were recorded as mortgage loans held for sale, at the lower of cost or fair value with a corresponding liability in FHLB advances and other borrowings on the Company's consolidated balance sheets.

During the quarter ended December 31, 2022, the Company entered into a contract to sell substantially all of its GNMA mortgage servicing rights portfolio, recognized an impairment of $2.0 million, and met all final sale conditions in early 2023. The sale was completed in February 2023. The Company sold approximately $1.8 million in GNMA mortgage servicing rights, representing $453.3 million in unpaid principal balances, with no significant additional gain or loss realized, and derecognized the related GNMA repurchase asset and offsetting liability of $24.6 million.

Derivative Instruments and Hedging Activities*.* All derivatives are recorded on the accompanying consolidated balance sheets at fair value. The accounting for changes in the fair value of derivatives depends on the intended use of the derivative, whether the Company has elected to designate a derivative in a hedging relationship and apply hedge accounting and whether the hedging relationship has satisfied the criteria necessary to apply hedge accounting. Derivatives designated and qualifying as a hedge of the exposure to changes in the fair value of an asset, liability, or firm commitment attributable to a particular risk, such as interest rate risk, are considered fair value hedges. Derivatives designated and qualifying as a hedge of the exposure to variability in expected future cash flows, or other types of forecasted transactions, are considered cash flow hedges. Hedge accounting generally provides for the matching of the timing of gain or loss recognition on the hedging instrument with the recognition of the changes in the fair value of the hedged asset or liability that are attributable to the hedged risk in a fair value hedge or the earnings effect of the hedged forecasted transactions in a cash flow hedge. During the term of a cash flow hedge contract, the effective portion of changes in fair value in the derivative instrument are recorded in accumulated other comprehensive (loss) income. Changes in the fair value of derivatives to which hedge accounting does not apply are recognized immediately in earnings. *Note 13 - Derivative Financial Instruments* describes the derivative instruments currently used by the Company and discloses how these derivatives impact its consolidated balance sheets and statements of income.

Goodwill and Other Intangible Assets*.* Goodwill, which represents the excess of cost over the fair value of the net assets of an acquired business, is not amortized but evaluated for potential impairment on an annual basis, which is typically October 1 for the Company, or more often if events or circumstances indicate that there may be impairment.

Other intangible assets, such as core deposit intangibles and relationship based intangibles, are amortized on a basis consistent with the receipt of economic benefit to the Company. Such assets are evaluated at least annually as to the recoverability of their carrying value for potential impairment. In the quarter following the period in which identified intangible assets become fully amortized, the fully amortized balances are removed from the gross asset and accumulated amortization amounts.

Other Real Estate Owned*.* Other real estate owned ("OREO") represents properties acquired through foreclosure or acceptance of a deed in lieu of foreclosure on loans on which the borrowers have defaulted as to payment of principal and interest. OREO also includes bank-owned real estate which the Company is no longer utilizing and intends to sell. These properties are initially recorded at fair value, less cost to sell, at the date of foreclosure, establishing a new cost basis. Fair value is determined based on third-party appraisals. Any subsequent capital improvements that increase value are added to the balance of the properties. Any valuation adjustments required at the date of transfer from loans to OREO are charged to the allowance for credit losses. Any subsequent write-downs to reflect current fair value, or gains and losses on the sale of the properties are charged to noninterest income. At December 31, 2022 and 2021, the balance of OREO was $806,000 and $1.5 million, respectively, and included as a component of accrued interest receivable and other assets in the accompanying consolidated balance sheets.

Overnight Repurchase Agreements with Depositors*.* The Company enters into agreements under which it sells securities subject to an obligation to repurchase the same or similar securities. Under these arrangements, the Company may transfer legal control over the assets but still retain effective control through an agreement that both entitles and obligates it to repurchase the assets. Securities sold under agreements to repurchase generally mature on the banking day following that on which the investment was initially sold and are treated as collateralized financing transactions which are recorded at the amounts at which the securities were sold plus accrued interest. Interest rates and maturity dates of the securities involved vary and are not intended to be matched with funds from customers.

Revenue Recognition*.* In general, for revenue not associated with financial instruments, guarantees and lease contracts, the Company applies the following steps when recognizing revenue from contracts with customers: (i) identify the contract, (ii) identify the performance obligations, (iii) determine the transaction price, (iv) allocate the transaction price to the performance obligations and (v) recognize revenue when a performance obligation is satisfied. Our contracts with customers are generally short-term in nature, typically due within one year or less or cancellable by us or our customer upon a short notice period. Performance obligations for our customer contracts are generally satisfied at a single point in time, typically when the transaction is complete, or over time. Descriptions of the Company's revenue generating activities that are within the scope of the revenue recognition standard are described below.

Service charges and fees on deposit accounts

Service charges and fees on deposit accounts are primarily comprised of maintenance fees, service fees, stop payment and insufficient funds fees. The Company's performance obligation for service fees or other fees covering a period of time are generally satisfied, and related revenue recognized, over the period in which the service is provided. The Company's performance obligations for transactional-based fees are generally satisfied, and related revenue recognized, at a point in time.

Insurance commission and fee income

The Company earns commission income through production on behalf of insurance carriers and also earns fee income by providing complementary services such as collection of premiums. In most instances, the Company considers the performance obligation to be complete at the time the service was rendered.

Credit card interchange income

The Company records credit card interchange income at a point in time as card transactions occur. The Company's performance obligation for these transactions is deemed to have occurred upon completion of each transaction. The amounts are included as a component of other income in the consolidated statements of income.

Gain or loss on sale of other assets and OREO

In the normal course of business, the Company recognizes the sale on other assets and OREO, along with any gain or loss, when control of the property transfers to the buyer through an executed contractual agreement. The transaction price is fixed, and on occasion the Company will finance a portion of the purchase price of the transferred asset.

Mortgage Banking Revenue. This revenue category primarily reflects the Company's mortgage production, sales and mortgage servicing revenue, including fees and income derived from mortgages originated with the intent to sell; mortgage sales and servicing; and the impact of risk management activities associated with the mortgage pipeline and mortgage servicing rights ("MSRs"). This revenue category also includes gains and losses on sales and changes in fair value for mortgage loans originated with the intent to sell and measured at fair value under the fair value option. Changes in the fair value of MSRs are reported in mortgage banking revenue. Net interest income from mortgage loans is recorded in interest income.

Income Taxes. Income tax expense is the total of the current year income tax due or refundable and the change in deferred tax assets and liabilities. Deferred tax assets and liabilities are the expected future tax amounts for the temporary differences between carrying amounts and tax bases of assets and liabilities, computed using enacted tax rates. A valuation allowance, if needed, reduces deferred tax assets to the amount expected to be realized.

A tax position is recognized as a benefit only if it is "more likely than not" that the tax position would be sustained in a tax examination, with a tax examination being presumed to occur. The amount recognized is the largest amount of tax benefit that is greater than 50% likely of being realized on examination. For tax positions not meeting the "more likely than not" test, no tax benefit is recorded. The Company did not have any amount accrued with respect to uncertain income tax positions at December 31, 2022 and 2021.

The Company recognizes interest and/or penalties related to income tax matters as a component of noninterest expense. There were no penalties or related interest for the years ended December 31, 2022, 2021 or 2020. Federal income tax expense or benefit has been allocated to subsidiaries on a separate return basis.

Stock-Based Compensation. The cost of employee services received in exchange for stock options, restricted stock and performance stock grants and/or units are measured using the fair value of the award on the grant date and is recognized over the service period.

Other Investments. The Company accounts for investments in limited partnerships, limited liability companies ("LLCs"), and other privately held companies using either the equity method of accounting or at amortized cost net of impairments and observable price changes. The accounting treatment depends upon the Company's percentage ownership or degree of management influence.

Under the equity method of accounting, the Company records its initial investment at cost. Subsequently, the carrying amount of the investment is increased or decreased to reflect its share of income or loss of the investee. The Company's recognition of earnings or losses from an equity method investment is based on its ownership percentage in the investee and the investee's earnings for the reporting period, and is recorded on a one-quarter lag.

All of the Company's investments in limited partnerships, LLCs, and other companies are privately held, and their fair values are not readily available. Management evaluates the investments in investees for impairment based on the investee's ability to generate cash through its operations or obtain alternative financing, and other subjective factors. There are inherent risks associated with investments in such companies, which may result in volatility in the consolidated statements of income in future periods.

At December 31, 2022 and 2021, investments in limited partnerships, LLCs and other privately held companies totaled $20.9 million and $21.4 million, respectively, and were included in accrued interest receivable and other assets in the accompanying consolidated balance sheets.

Investments in Tax Credit Entities. As part of its Community Reinvestment Act responsibilities and due to their favorable economic characteristics, the Company invests in tax credit-motivated projects primarily in the markets it serves. These projects are directed at tax credits issued under Low-Income Housing Tax Credits. The Company generates returns on tax credit motivated projects through the receipt of federal, and if applicable, state tax credits. The federal tax credits are recorded as an offset to the income tax provision in the year that they are earned under federal income tax law – over 10 to 15 years beginning in the year in which rental activity commences. These credits, if not used in the tax return for the year of origination, can be carried forward for 20 years.

The Company invests in a tax credit entity, usually an LLC, which owns the real estate. The Company receives a nonvoting interest in the entity that must be retained during the compliance period for the credits (15 years for Low-Income Housing Tax Credit programs). Control of the tax credit entity rests in the 0.1% interest general partner, who has the power and authority to make decisions that impact economic performance of the project and is required to oversee and manage the project. Due to the lack of any voting, economic, or managerial control, and due to the contractual reduction in the investment, the Company accounts for its investment by amortizing the investment, beginning at the issuance of the certificate of occupancy of the project, over the compliance period, as management believes any potential residual value in the real estate will have limited value. Amortization is included as a component of income tax expense.

The Company has the risk of credit recapture if the project does not maintain compliance during the compliance period. No such events have occurred to date. At December 31, 2022 and 2021, the Company had investments in tax credit entities of $9.4 million and $11.1 million, respectively, which are included in accrued interest receivable and other assets in the accompanying consolidated balance sheets.

Earnings Per Share. Basic and diluted earnings per common share are calculated using the treasury method, under which basic earnings per share is calculated as net income divided by the weighted average number of common shares outstanding during the period. Diluted earnings per share includes the dilutive effect of additional potential common shares issuable under stock options and restricted stock awards.

Diluted income per common share considers common stock issuable under the assumed release of unvested restricted stock awards, restricted stock units, performance stock units, shares potentially issuable under the employee stock purchase plan, and the assumed exercise of stock options granted. The dilutive effect of share-based payment awards that are not deemed to be participating securities is calculated using the treasury stock method, which assumes that the proceeds from exercise are used to purchase common stock at the average market price for the period. Potentially dilutive common stock equivalents are excluded from the computation of diluted earnings per common share in periods in which the effect would be anti-dilutive.

Effect of Recently Adopted Accounting Standards

ASU No. 2019-12, Income Taxes (Topic 740): Simplifying the Accounting for Income Taxes. ASU 2019-12 simplifies the accounting for income taxes by eliminating some exceptions to the general approach in ASC 740, Income Taxes. It also clarifies certain aspects of the existing guidance to promote more consistent application, among other things. The amendments in the update became effective for fiscal years beginning after December 15, 2020, including interim periods within those fiscal years, and did not have a significant impact on the Company's consolidated financial statements or disclosures.

ASU No. 2021-06, Presentation of Financial Statements (Topic 205), Financial Services —Depository and Lending(Topic 942), and Financial Services — Investment Companies (Topic 946) —Amendments to SEC Paragraphs Pursuant to SEC Final Rule Releases No. 33-10786, Amendments to Financial Disclosures about Acquired and Disposed Businesses, and No. 33-10835, Update of Statistical Disclosures for Bank and Savings and Loan Registrants amends the Accounting Standards Codification in order to agree the Codification to the new SEC releases 33-10786 and 33-10835 (the "Releases"). The Releases clearly define whether an acquired or disposed business subsidiary is significant; update, expand and eliminate certain disclosures; eliminate overlap with certain SEC and U.S.GAAP rules; and add a new subpart of Regulation S-K. The ASU is effective upon issuance, however, the SEC release on which the ASU is based is effective for registrants with the first fiscal year ending after December 15, 2021, while Guide 3 will be rescinded effective January 1, 2023. Implementation of this ASU did not materially impact the Company's financial statement disclosures.

Effect of Newly Issued But Not Yet Effective Accounting Standards

ASU No. 2021-08, Business Combinations (Topic 805) — Accounting for Contract Assets and Contract Liabilities from Contracts with Customers. The amendments in this update affect accounting for acquired revenue contracts with customers in a business combination by addressing diversity in practice and inconsistency related to recognition of an acquired contract liability and payment terms and their effect on subsequent revenue recognized by the acquirer. The ASU is effective for fiscal years beginning after December 15, 2022, including interim periods within those fiscal years. Implementation of this ASU is not expected to materially impact the Company's financial statements or disclosures.

ASU No. 2022-01, Derivatives and Hedging (Topic 815) — Fair Value Hedging - Portfolio Layer Method. The amendments in this Update clarify the accounting for and promote consistency in the reporting of hedge basis adjustments applicable to both a single hedged layer and multiple hedged layers. Additionally, this Update allows entities to elect to apply the portfolio layer method of hedge accounting in accordance with Topic 815. The ASU is effective for fiscal years beginning after December 15, 2022, including interim periods within those fiscal years. Implementation of this ASU is not expected to materially impact the Company's financial statements or disclosures.

ASU No. 2022-02, Financial Instruments - Credit Losses (Topic 326) — Troubled Debt Restructurings and Vintage Disclosures. The amendments in this Update eliminate the accounting guidance for TDRs by creditors in Subtopic 310-40, Receivables—Troubled Debt Restructurings by Creditors, while enhancing disclosure requirements for certain loan refinancings and restructurings by creditors when a borrower is experiencing financial difficulty. Specifically, rather than applying the recognition and measurement guidance for TDRs, an entity must apply the loan refinancing and restructuring guidance in paragraphs 310-20-35-9 through 35-11 to determine whether a modification results in a new loan or a continuation of an existing loan. For public business entities, the amendments in this Update require that an entity disclose current-period gross write-offs by year of origination for financing receivables and net investments in leases within the scope of Subtopic 326-20, Financial Instruments—Credit Losses—Measured at Amortized Cost. The ASU is effective for fiscal years beginning after December 15, 2022, including interim periods within those fiscal years. Implementation of this ASU is not expected to materially impact the Company's financial statements or disclosures.

ASU No. 2022-06, Reference Rate Reform (Topic 848) - Deferral of the Sunset Date of Topic 848 — The amendments in this Update provide temporary relief during the transition period in complying with Update No. 2020-04, Reference Rate Reform (Topic 848) - Facilitation of the Effects of Reference Rate Reform on Financial Reporting, which provides optional guidance to ease the potential burden in accounting for (or recognizing the effects of) reference rate reform on financial reporting. The Board included a sunset provision within Topic 848 based on expectations of when the London Interbank Offered Rate (LIBOR) would cease being published. At the time that Update 2020-04 was issued, the UK Financial Conduct Authority (FCA) had established its intent that it would no longer be necessary to persuade, or compel, banks to submit to LIBOR after December 31, 2021. As a result, the sunset provision was set for December 31, 2022 - 12 months after the expected cessation date of all currencies and tenors of LIBOR. In March 2021, the FCA announced that the intended cessation date of the overnight 1-, 3-, 6-, and 12-month tenors of USD LIBOR would be June 30, 2023, which is beyond the current sunset date of Topic 848.

Because the current relief in Topic 848 may not cover a period of time during which a significant number of modifications may take place, the amendments in this Update defer the sunset date of Topic 848 from December 31, 2022, to December 31, 2024, after which entities will no longer be permitted to apply the relief in Topic 848. The ASU is effective immediately. Implementation of this ASU is not expected to materially impact the Company's financial statements or disclosures.

Note 2 - Earnings Per Share

Basic and diluted earnings per common share are calculated using the treasury method. Under the treasury method, basic earnings per share is calculated as net income divided by the weighted average number of common shares outstanding during the period. Diluted earnings per share includes the dilutive effect of additional potential common shares issuable under the Company's stock and incentive compensation plans. Information regarding the Company's basic and diluted earnings per common share is presented in the following table:

(Dollars in thousands, except per share amounts)	Years Ended December 31,		
Numerator:	**2022**	**2021**	**2020**
Net income	$ 87,715	$ 108,546	$ 36,357
Denominator:			
Weighted average common shares outstanding	26,627,476	23,431,504	23,367,221
Dilutive effect of stock-based awards	133,116	177,082	144,731
Weighted average diluted common shares outstanding	26,760,592	23,608,586	23,511,952
Basic earnings per common share	$ 3.29	$ 4.63	$ 1.56
Diluted earnings per common share	3.28	4.60	1.55

Note 3 - Business Combinations

BT Holdings, Inc.

On August 1, 2022, the Company completed its merger with BT Holdings, Inc. (“BTH”), a Texas corporation and the registered bank holding company of BTH Bank, acquiring 100% of the voting equity interests of BTH. The Company issued 6,794,910 shares of its common stock, and all outstanding BTH common stock options were converted into options to purchase an aggregate of 611,676 shares of Origin common stock. Based on the closing price of the Company's common stock on July 29, 2022, of $43.07 per share, the aggregate consideration to be paid to holders of BTH common stock in connection with the merger is valued at approximately $307.8 million. Goodwill of $94.5 million was recorded as a result of the transaction. The merger added new markets for expansion and brings complementary businesses together to drive synergies and growth, which are the factors that gave rise to the goodwill recorded. The goodwill will not be deductible for tax purposes.

Including the effects of the known purchase accounting adjustments, as of the merger date, Origin had approximately $9.84 billion in assets, $6.77 billion in loans and $7.99 billion in deposits on a consolidated basis. Origin Bank and BTH Bank, N.A. operated as separate banking subsidiaries of the Company until the merger of the banks, which Origin completed on October 7, 2022, concurrently with the data processing conversion. BTH formerly operated its banking business from 13 locations in East Texas, Dallas and Fort Worth, Texas, each of which now operates as a banking location of Origin Bank.

The purchase price allocation and certain fair value measurements remain preliminary due to the timing of the merger. The Company will continue to review the estimated fair values of loans, deposits and intangible assets, and to evaluate the assumed tax positions and contingencies.

The Company has determined that the merger of the net assets of BTH constitutes a business combination as defined by the ASC Topic 805. Accordingly, the assets acquired and liabilities assumed are presented at their fair values as required. Fair values were determined based on the requirements of ASC Topic 820. In many cases, the determination of these fair values required management to make estimates about discount rates, future expected cash flows, market conditions and other future events that are highly subjective in nature and subject to change.

The following schedule is a preliminary breakdown of the assets acquired and liabilities assumed as of the merger date:

(Dollars in thousands)	BT Holdings, Inc. As Recorded by Origin
Assets Acquired:	
Cash and cash equivalents	$ 69,953
Investment securities	456,808
Loans acquired	1,239,532
Allowance for credit losses on loans	(5,527)
Loans receivable, net	1,234,005
Premises and equipment	17,825
Non-marketable equity securities held in other financial institutions	5,873
Core deposit intangible	38,356
Other assets	23,778
Total assets acquired	$ 1,846,598
Liabilities Assumed:	
Noninterest-bearing deposits	$ 398,089
Interest-bearing deposits	865,864
Time deposits	302,506
Total deposits	1,566,459
Securities sold under agreements to repurchase	10,133
Subordinated indebtedness, net	44,074
Accrued expenses and other liabilities	12,674
Total liabilities assumed	1,633,340
Net assets acquired	213,258
Purchase price	307,784
Goodwill	$ 94,526

The Company’s operating results include the operating results of the acquired assets and assumed liabilities of BTH subsequent to the merger date.

Acquisition Accounting. The following is a description of the methods used to determine the fair values of significant assets and liabilities acquired as part of a merger or acquisition. The Company elected to use the pushdown accounting method to record the merger.

Loans acquired – Fair values for PCD loans were based on a discounted cash flow methodology that considered factors including the type of loan and related collateral, classification status, fixed or variable interest rate, term of loan and whether or not the loan was amortizing, and current discount rates except when a fair value of collateral approach was applied. The discount rates used for PCD loans were based on current market rates and include adjustments for liquidity concerns. The discount rate does not include a factor for credit losses, as that has been included in the estimated cash flows. Non-PCD loans were grouped together according to similar characteristics and were treated in the aggregate when applying valuation techniques. See ***Note 5 - Loans*** in these notes to the consolidated financial statements for more information related to loans acquired.

Loan Acquisition Accounting – The Company accounts for its acquisitions/mergers under ASC Topic 805, Business Combinations, which requires the use of the acquisition method of accounting. All identifiable assets acquired, including loans, are recorded at fair value. The fair value for acquired loans at the time of acquisition or merger is based on a variety of factors, including discounted expected cash flows, adjusted for estimated prepayments and credit losses. In accordance with ASC 326, the fair value adjustment is recorded as premium or discount to the unpaid principal balance of each acquired loan. Loans that have been identified as having experienced a more-than-insignificant deterioration in credit quality since origination are PCD loans. The net premium or discount on PCD loans is adjusted by the Company's allowance for credit losses recorded at the time of merger/acquisition. The remaining net premium or discount is accreted or amortized into interest income over the remaining life of the loan using the effective interest rate method. The net premium or discount on loans that are not classified as PCD ("non-PCD"), that includes credit and non-credit components, is accreted or amortized into interest income over the remaining life of the loan using a constant yield method. The Company then records the necessary allowance for credit losses on the non-PCD loans through provision for credit losses expense.

During the quarter ended December 31, 2022, the Company continued to analyze the valuations and accounting associated with the acquired assets and assumed liabilities and received updated information resulting in the revised amounts displayed below. The Company updated the estimated amounts of these items within the consolidated balance sheets with a corresponding adjustment to goodwill. The changes are gross of taxes and reflected in the following table:

(Dollars in thousands) **Acquired Asset or Liability**	**Consolidated Balance Sheet Line Item**	**Provisional Estimate**	**Revised Estimate**	**Increase (Decrease)**
Loan acquired	Loans, net of allowance for credit losses	$ 1,239,625	$ 1,239,532	$ (93)
Deferred tax asset	Other Assets	17,427	23,778	6,351
Provision for off-balance sheet contingencies	Accrued expenses and other liabilities	14,530	12,674	(1,856)
Goodwill	Goodwill	102,640	94,526	(8,114)

Purchased loans that reflect a more-than-insignificant deterioration of credit from origination are considered PCD. For PCD loans, the initial estimate of expected credit losses is recognized in the allowance for credit loss on the date of the merger using the same methodology as other loans held for investment as discussed in ***Note 5 - Loans*** in these notes to the consolidated financial statements. The following table provides a summary of loans purchased with credit deterioration at the merger transaction date with BTH:

	August 1, 2022						
(Dollars in thousands)	**Commercial Real Estate**	**Construction/ Land/ Land Development**	**Residential Real Estate**	**Commercial and Industrial**	**Mortgage Warehouse Lines of Credit**	**Consumer**	**Total**
Unpaid principal balance	$ 10,731	$ 1,315	$ 2,880	$ 37,117	$ —	$ 169	$ 52,212
PCD allowance for credit loss at merger	1	—	—	5,525	—	1	5,527
Non-credit related (premium)/discount	(277)	(92)	3	(77)	—	1	(442)
Fair value of PCD loans	$ 11,007	$ 1,407	$ 2,877	$ 31,669	$ —	$ 167	$ 47,127

Revenue and earnings of BTH since the acquisition date have not been disclosed as the acquired company was merged into the Company and separate financial information is not readily available.

The following table presents unaudited pro-forma information as if the merger with BTH had occurred on January 1, 2021. This pro-forma information gives effect to certain adjustments, including purchase accounting fair value adjustments, amortization of core deposit intangible and related income tax effects and is based on our historical results for the periods presented. Transaction-related costs related to the merger are not reflected in the pro-forma amounts. The pro-forma information does not necessarily reflect the results of operations that would have occurred had the Company acquired BTH at the beginning of fiscal year 2021. Cost savings are also not reflected in the unaudited pro-forma amounts.

(Dollars in thousands except share and per share data)	Actual for the Year Ended December 31, 2022	Pro-Forma for the Year Ended December 31, 2022	Pro-Forma for the Year Ended December 31, 2021
Net interest income	$ 275,278	$ 323,772	$ 276,817
Noninterest income	57,274	65,900	66,157
Net income	87,715	104,969	122,710
Pro-forma earnings per share:			
Basic	—	3.14	4.06
Diluted	—	3.11	4.02
Weighted average shares outstanding:	26,627,476	33,455,866	30,259,894
Basic	$ 3.29	$ —	$ —
Diluted	3.28	—	—

Lincoln Agency and Pulley-White Acquisition

On December 31, 2021, the Company acquired the remaining 62% equity interest in the Lincoln Agency for $5.3 million in cash and $5.3 million in Company common stock. The Company previously acquired a 38% minority interest in Lincoln Agency that was accounted for as an equity method investment, which had an immaterial carrying value at the acquisition date. The acquisition of the remaining equity interest was considered a step acquisition, whereby the Company re-measured the previously held equity method investment to its fair value of $5.2 million, resulting in the recognition of a gain of $5.2 million, which is recorded as a component of noninterest income in the accompanying consolidated statements of income. The acquisition date fair value of the previously held equity method investment was calculated using multiple factors, including the total consideration for the acquired ownership interest of Lincoln Agency and an analysis of control premiums paid for similar transactions.

The purchase agreement for Lincoln Agency includes potential earnout payments of up to $250,000 based on net product line revenue for fiscal year 2023 and up to an additional $750,000 based on compound annual revenue growth for fiscal year 2024. The Company included the $795,000 fair value of this contingent liability as a component of other liabilities on the accompanying consolidated balance sheets at December 31, 2021. At December 31, 2022, the contingent liability was valued at $825,000 in accordance with ASC Topic 805.

Additionally, the Company acquired certain assets, including 100% of the book of business, and assumed certain liabilities of Pulley-White on December 31, 2021, for $2.2 million in cash and $2.2 million in Company common stock. The purchase agreement for Pulley-White includes potential earnout payments of up to an additional $250,000 provided the revenue attributable to the legacy operations of Pulley-White for the two years ended December 31, 2023, achieves certain compounded annual growth rate metrics and payments of up to $500,000 provided the revenue attributable to the legacy operations of Pulley-White for the three years ended December 31, 2024, achieves certain compounded annual growth rate metrics. The Company included the $574,000 fair value of this contingent liability as a component of other liabilities on the accompanying consolidated balance sheets at December 31, 2021. At December 31, 2022, the contingent liability was valued at $631,000 in accordance with ASC Topic 805.

A summary of the fair value of assets acquired and liabilities assumed from the insurance acquisitions was as follows:

(Dollars in thousands)	Estimated Fair Value	
Assets Acquired:		
Definite-lived intangibles	$	14,067
Operating lease right of use assets		1,488
Prepaid expense and other assets		18
Total assets acquired		15,573
Liabilities Assumed:		
Operating lease liability		1,488
Net assets acquired		14,085
Total consideration		21,497
Goodwill	$	7,412

The fair value of assets acquired and liabilities assumed were preliminary and based on valuation estimates and assumptions at December 31, 2021. The Company continued to analyze the valuations and accounting associated with the acquired assets and assumed liabilities and received updated information during the first quarter of 2022, resulting in a $215,000 downward adjustment to the goodwill associated with the acquisitions of Lincoln Agency and Pulley-White.

With these acquisitions, the Company continues to expand the scope of product offerings to its banking customers. $4.6 million of goodwill associated with these acquisitions is deductible for income tax purposes.

A summary of total consideration was as follows:

(Dollars in thousands)	December 31, 2021	
Cash paid	$	7,457
Common stock issued (177,348 shares)		7,458
Contingent consideration		1,369
Fair value of previously held interest in Lincoln Agency		5,213
Total consideration	$	21,497

The Company has determined the insurance acquisitions constitute a business combination as defined by ASC Topic 805, which establishes principles and requirements for how the acquirer of a business recognizes and measures in its financial statements the identifiable assets acquired and the liabilities assumed. The Company has recorded the assets purchased and liabilities assumed at their estimated fair value in accordance with ASC Topic 805.

The fair value of assets acquired and liabilities assumed in the insurance acquisitions are final.

Pro forma results of aggregate operations for the insurance acquisitions are not presented because these acquisitions are not material to the Company's consolidated results of operations.

Note 4 - Securities

The following table is a summary of the amortized cost and estimated fair value, including the allowance for credit losses and gross unrealized gains and losses, of available for sale, held to maturity and securities carried at fair value through income for the dates indicated:

(Dollars in thousands)

December 31, 2022	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value	Allowance for Credit Losses	Net Carrying Amount
Available for sale:						
State and municipal securities	$ 447,086	$ 996	$ (58,605)	$ 389,477	$ —	$ 389,477
Corporate bonds	89,449	—	(7,191)	82,258	—	82,258
U.S. government and agency securities	264,755	4	(16,339)	248,420	—	248,420
Commercial mortgage-backed securities	105,536	—	(13,593)	91,943	—	91,943
Residential mortgage-backed securities	649,765	—	(77,462)	572,303	—	572,303
Commercial collateralized mortgage obligations	44,330	—	(5,517)	38,813	—	38,813
Residential collateralized mortgage obligations	170,136	—	(23,766)	146,370	—	146,370
Asset-backed securities	73,918	—	(2,018)	71,900	—	71,900
Total	$ 1,844,975	$ 1,000	$ (204,491)	$ 1,641,484	$ —	$ 1,641,484
Held to maturity:						
State and municipal securities	$ 12,174	$ 278	$ (482)	$ 11,970	$ (899)	$ 11,275
Securities carried at fair value through income:						
State and municipal securities[1]	$ 7,100	$ —	$ —	$ 6,368	$ —	$ 6,368
December 31, 2021						
Available for sale:						
State and municipal securities	$ 394,046	$ 14,095	$ (2,323)	$ 405,818	$ —	$ 405,818
Corporate bonds	80,498	2,509	(273)	82,734	—	82,734
U.S. government and agency securities	98,892	2	(1,236)	97,658	—	97,658
Commercial mortgage-backed securities	65,691	—	(1,448)	64,243	—	64,243
Residential mortgage-backed securities	559,655	3,751	(5,605)	557,801	—	557,801
Commercial collateralized mortgage obligations	20,000	2	(330)	19,672	—	19,672
Residential collateralized mortgage obligations	196,691	460	(3,411)	193,740	—	193,740
Asset-backed securities	81,985	1,077	—	83,062	—	83,062
Total	$ 1,497,458	$ 21,896	$ (14,626)	$ 1,504,728	$ —	$ 1,504,728
Held to maturity:						
State and municipal securities	$ 22,934	$ 2,183	$ —	$ 25,117	$ (167)	$ 22,767
Securities carried at fair value through income:						
State and municipal securities[1]	$ 7,375	$ —	$ —	$ 7,497	$ —	$ 7,497

(1) Securities carried at fair value through income have no unrealized gains or losses at the consolidated balance sheet dates as all changes in value have been recognized in the consolidated statements of income. See *Note 6 - Fair Value of Financial Instruments* for more information.

On August 1, 2022, the Company completed the merger with BT Holdings, Inc. and acquired $456.8 million of available for sale securities from BTH, $447.5 million of which were sold during the third quarter of 2022, and classified the remaining as available-for-sale at the merger date.

Securities with unrealized losses at December 31, 2022, and 2021, aggregated by investment category and those individual securities that have been in a continuous unrealized loss position for less than 12 months, and for 12 months or more, were as follows.

(Dollars in thousands)	Less than 12 Months		12 Months or More		Total	
December 31, 2022	**Fair Value**	**Unrealized Loss**	**Fair Value**	**Unrealized Loss**	**Fair Value**	**Unrealized Loss**
Available for sale:						
State and municipal securities	$ 171,079	$ (14,947)	$ 175,011	$ (43,658)	$ 346,090	$ (58,605)
Corporate bonds	69,618	(5,581)	11,640	(1,610)	81,258	(7,191)
U.S. government and agency securities	152,471	(7,373)	95,576	(8,966)	248,047	(16,339)
Commercial mortgage-backed securities	37,083	(3,416)	54,860	(10,177)	91,943	(13,593)
Residential mortgage-backed securities	231,848	(20,465)	340,455	(56,997)	572,303	(77,462)
Commercial collateralized mortgage obligations	21,999	(2,516)	16,814	(3,001)	38,813	(5,517)
Residential collateralized mortgage obligations	48,749	(3,928)	97,621	(19,838)	146,370	(23,766)
Asset-backed securities	62,047	(1,528)	9,853	(490)	71,900	(2,018)
Total	$ 794,894	$ (59,754)	$ 801,830	$ (144,737)	$ 1,596,724	$ (204,491)
Held to maturity:						
State and municipal securities	$ 6,518	$ (482)	$ —	$ —	$ 6,518	$ (482)
December 31, 2021						
Available for sale:						
State and municipal securities	$ 82,627	$ (1,651)	$ 16,617	$ (672)	$ 99,244	$ (2,323)
Corporate bonds	13,299	(201)	2,928	(72)	16,227	(273)
U.S. government and agency securities	97,010	(1,234)	440	(2)	97,450	(1,236)
Commercial mortgage-backed securities	57,703	(1,167)	6,540	(281)	64,243	(1,448)
Residential mortgage-backed securities	409,382	(5,577)	1,693	(28)	411,075	(5,605)
Commercial collateralized mortgage obligations	14,568	(330)	—	—	14,568	(330)
Residential collateralized mortgage obligations	127,080	(2,623)	31,301	(788)	158,381	(3,411)
Total	$ 801,669	$ (12,783)	$ 59,519	$ (1,843)	$ 861,188	$ (14,626)
Held to maturity:						
State and municipal securities	$ —	$ —	$ —	$ —	$ —	$ —

At December 31, 2022, the Company had 716 individual securities that were in an unrealized loss position. Management evaluates available for sale debt securities in unrealized loss positions to determine whether the impairment is due to credit-related factors or noncredit-related factors. Consideration is given to (1) the extent to which the fair value is less than the cost, (2) the financial condition and near-term prospects of the issuer, and (3) the intent and ability of the Company to retain its investment in the security for a period of time sufficient to allow for any anticipated recovery in fair value.

Management does not have the intent to sell any of the securities in an unrealized loss position and believes that it is more likely than not that the Company will not have to sell any such securities before a recovery of cost. The fair value is expected to recover as the securities approach their maturity date or repricing date or if market yields for such investments decline. Accordingly, at December 31, 2022, management believes that the unrealized losses detailed in the previous table are due to noncredit-related factors, including changes in interest rates and other market conditions, and therefore no losses have been recognized in the Company’s consolidated statements of income.

The following table presents the activity in the allowance for credit losses for held-to-maturity debt securities.

(Dollars in thousands)	Municipal Securities		
Allowance for credit losses:	**2022**	**2021**	**2020**
Balance at January 1,	$ 167	$ 66	$ —
Impact of adopting ASC 326	—	—	96
Provision expense for credit loss for held to maturity securities	732	101	(30)
Balance at December 31,	$ 899	$ 167	$ 66

Accrued interest of $8.2 million and $6.1 million was not included in the calculation of the allowance or the amortized cost basis of the debt securities at December 31, 2022 or 2021, respectively. There were no past due held-to-maturity securities or held-to-maturity securities in nonaccrual status at December 31, 2022 or 2021.

Proceeds from sales and calls, and related gross gains and losses of securities available for sale, are shown below.

	Year Ended December 31,		
(Dollars in thousands)	2022	2021	2020
Proceeds from sales/calls	$ 487,544	$ 44,893	$ 64,702
Gross realized gains	3,810	1,780	774
Gross realized losses	(2,146)	(32)	(194)

The following table presents the amortized cost and fair value of securities available for sale and held to maturity at December 31, 2022, grouped by contractual maturity. Mortgage-backed securities, collateralized mortgage obligations and asset-backed securities, which do not have contractual payments due at a single maturity date, are shown separately. Actual maturities for mortgage-backed securities, collateralized mortgage obligations and asset-backed securities will differ from contractual maturities as a result of prepayments made on the underlying loans.

(Dollars in thousands)	Held to Maturity		Available for Sale	
December 31, 2022	**Amortized Cost**	**Fair Value**	**Amortized Cost**	**Fair Value**
Due in one year or less	$ —	$ —	$ 40,486	$ 39,652
Due after one year through five years	—	—	268,038	254,924
Due after five years through ten years	5,174	5,453	216,860	195,910
Due after ten years	7,000	6,517	275,906	229,669
Commercial mortgage-backed securities	—	—	105,536	91,943
Residential mortgage-backed securities	—	—	649,765	572,303
Commercial collateralized mortgage obligations	—	—	44,330	38,813
Residential collateralized mortgage obligations	—	—	170,136	146,370
Asset-backed securities	—	—	73,918	71,900
Total	$ 12,174	$ 11,970	$ 1,844,975	$ 1,641,484

The following table presents carrying amounts of securities pledged as collateral for deposits and repurchase agreements at the periods presented.

(Dollars in thousands)	December 31, 2022	December 31, 2021
Carrying value of securities pledged to secure public deposits	$ 769,691	$ 331,651
Carrying value of securities pledged to repurchase agreements	6,797	10,312

Note 5 - Loans

Loans consist of the following:

(Dollars in thousands)	December 31, 2022	December 31, 2021
Loans held for sale	$ 49,957	$ 80,387
LHFI:		
Loans secured by real estate:		
Commercial real estate	$ 2,304,678	$ 1,693,512
Construction/land/land development	945,625	530,083
Residential real estate	1,477,538	909,739
Total real estate	4,727,841	3,133,334
Commercial and industrial	2,051,161	1,454,235
Mortgage warehouse lines of credit	284,867	627,078
Consumer	26,153	16,684
Total LHFI[(1)]	7,090,022	5,231,331
Less: Allowance for loan credit losses	87,161	64,586
LHFI, net	$ 7,002,861	$ 5,166,745

(1) Includes purchase accounting adjustment and net deferred loan fees of $14.2 million at December 31, 2022, and net deferred loan fees of $9.6 million at December 31, 2021. There were no merger date loan fair value adjustments at December 31, 2021.

On August 1, 2022, the Company completed the merger with BTH. As of the merger date, BTH had approximately $1.24 billion in loans and the Company recorded a Day 1 fair value purchase accounting net discount of $5.1 million. As of December 31, 2022, the remaining purchase accounting net loan discount was $2.2 million.

Credit quality indicators. As part of the Company's commitment to managing the credit quality of its loan portfolio, management annually and periodically updates and evaluates certain credit quality indicators, which include but are not limited to (i) weighted-average risk rating of the loan portfolio, (ii) net charge-offs, (iii) level of non-performing loans, (iv) level of classified loans (defined as substandard, doubtful and loss), and (v) the general economic conditions in the cities and states in which the Company operates. The Company maintains an internal risk rating system where ratings are assigned to individual loans based on assessed risk. Loan risk ratings are the primary indicator of credit quality for the loan portfolio and are continually evaluated to ensure they are appropriate based on currently available information.

The following is a summary description of the Company's internal risk ratings:

• Pass (1-6)	Loans within this risk rating are further categorized as follows:
Minimal risk (1)	Well-collateralized by cash equivalent instruments held by the Banks.
Moderate risk (2)	Borrowers with excellent asset quality and liquidity. Borrowers' capitalization and liquidity exceed industry norms. Borrowers in this category have significant levels of liquid assets and have a low level of leverage.
Better than average risk (3)	Borrowers with strong financial strength and excellent liquidity that consistently demonstrate strong operating performance. Borrowers in this category generally have a sizable net worth that can be converted into liquid assets within 12 months.
Average risk (4)	Borrowers with sound credit quality and financial performance, including liquidity. Borrowers are supported by sufficient cash flow coverage generated through operations across the full business cycle.
Marginally acceptable risk (5)	Loans generally meet minimum requirements for an acceptable loan in accordance with lending policy, but possess one or more attributes that cause the overall risk profile to be higher than the majority of newly approved loans.
Watch (6)	A passing loan with one or more factors that identify a potential weakness in the overall ability of the borrower to repay the loan. These weaknesses are generally mitigated by other factors that reduce the risk of delinquency or loss.
• Special Mention (7)	This grade is intended to be temporary and includes borrowers whose credit quality has deteriorated and is at risk of further decline.
• Substandard (8)	This grade includes "Substandard" loans under regulatory guidelines. Substandard loans exhibit a well-defined weakness that jeopardizes debt repayment in accordance with contractual agreements, even though the loan may be performing. These obligations are characterized by the distinct possibility that a loss may be incurred if these weaknesses are not corrected and repayment may be dependent upon collateral liquidation or secondary source of repayment.
• Doubtful (9)	This grade includes "Doubtful" loans under regulatory guidelines. Such loans are placed on nonaccrual status and repayment may be dependent upon collateral with no readily determinable valuation or valuations that are highly subjective in nature. Repayment for these loans is considered improbable based on currently existing facts and circumstances.
• Loss (0)	This grade includes "Loss" loans under regulatory guidelines. Loss loans are charged-off or written down when repayment is not expected.

In connection with the review of the loan portfolio, the Company considers risk elements attributable to particular loan types or categories in assessing the quality of individual loans. The list of loans to be reviewed for possible individual evaluation consists of nonaccrual commercial loans over $100,000 with direct exposure, unsecured loans over 90 days past due, commercial loans classified substandard or worse over $100,000 with direct exposure, TDRs, consumer loans greater than $100,000 with a FICO score under 625, loans greater than $100,000 in which the borrower has filed bankruptcy, and all loans 180 days or more past due. Loans under $50,000 will be evaluated collectively in designated pools unless a loss exposure has been identified. Some additional risk elements considered by loan type include:

- for commercial real estate loans, the debt service coverage ratio, operating results of the owner in the case of owner-occupied properties, the loan to value ratio, the age and condition of the collateral and the volatility of income, property value and future operating results typical of properties of that type;
- for construction, land and land development loans, the perceived feasibility of the project, including the ability to sell developed lots or improvements constructed for resale or the ability to lease property constructed for lease, the quality and nature of contracts for presale or prelease, if any, experience and ability of the developer and loan to value ratio;
- for residential mortgage loans, the borrower's ability to repay the loan, including a consideration of the debt to income ratio and employment and income stability, the loan-to-value ratio, and the age, condition and marketability of the collateral; and

- for commercial and industrial loans, the debt service coverage ratio (income from the business in excess of operating expenses compared to loan repayment requirements), the operating results of the commercial, industrial or professional enterprise, the borrower's business, professional and financial ability and expertise, the specific risks and volatility of income and operating results typical for businesses in that category and the value, nature and marketability of collateral.

Purchased loans that have experienced more than insignificant credit deterioration since origination are PCD loans. An allowance for credit losses is determined using the same methodology as other individually evaluated loans. The Company held approximately $48.1 million of unpaid principal balance PCD loans at December 31, 2022, as a result of the merger with BTH on August 1, 2022, and none at December 31, 2021.

Please see *Note 1 - Significant Accounting Policies* in these *Notes to Consolidated Financial Statements* for a description of our accounting policies related to purchased financial assets with credit deterioration.

The following table reflects recorded investments in loans by credit quality indicator and origination year at December 31, 2022, excluding loans held for sale and loans accounted for at fair value. Loans acquired are shown in the table by origination year, not merger date. The Company had an immaterial amount of revolving loans converted to term loans at December 31, 2022.

	Term Loans Amortized Cost Basis by Origination Year							
(Dollars in thousands)	2022	2021	2020	2019	2018	Prior	Revolving Loans Amortized Cost Basis	Total
Commercial real estate:								
Pass	$ 885,244	$ 502,287	$ 283,368	$ 230,040	$ 168,079	$ 131,411	$ 69,952	$ 2,270,381
Special mention	—	—	—	—	8,174	1,359	1,558	11,091
Classified	930	1,795	1,551	4,014	2,965	11,901	50	23,206
Total commercial real estate loans	$ 886,174	$ 504,082	$ 284,919	$ 234,054	$ 179,218	$ 144,671	$ 71,560	$ 2,304,678
Current period gross charge-offs	$ —	$ —	$ —	$ —	$ —	$ 166	$ —	$ 166
Current period gross recoveries	—	31	—	—	6	3	—	40
Current period net charge-offs (recoveries)	$ —	$ (31)	$ —	$ —	$ (6)	$ 163	$ —	$ 126
Construction/land/land development:								
Pass	$ 445,943	$ 320,951	$ 58,880	$ 27,381	$ 27,753	$ 5,253	$ 48,436	$ 934,597
Special mention	6,217	—	—	—	—	—	—	6,217
Classified	180	100	286	38	160	1,708	2,339	4,811
Total construction/land/land development loans	$ 452,340	$ 321,051	$ 59,166	$ 27,419	$ 27,913	$ 6,961	$ 50,775	$ 945,625
Current period gross charge-offs	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —
Current period gross recoveries	—	—	—	—	200	11	—	211
Current period net charge-offs (recoveries)	$ —	$ —	$ —	$ —	$ (200)	$ (11)	$ —	$ (211)
Residential real estate:								
Pass	$ 535,739	$ 308,070	$ 261,293	$ 107,530	$ 48,652	$ 123,052	$ 80,375	$ 1,464,711
Special mention	—	—	390	—	—	—	—	390
Classified	2,227	2,764	90	1,494	1,064	4,653	145	12,437
Total residential real estate loans	$ 537,966	$ 310,834	$ 261,773	$ 109,024	$ 49,716	$ 127,705	$ 80,520	$ 1,477,538
Current period gross charge-offs	$ —	$ —	$ —	$ —	$ —	$ 91	$ —	$ 91
Current period gross recoveries	—	—	—	75	—	27	—	102
Current period net charge-offs (recoveries)	$ —	$ —	$ —	$ (75)	$ —	$ 64	$ —	$ (11)

	Term Loans Amortized Cost Basis by Origination Year							
(Dollars in thousands)	2022	2021	2020	2019	2018	Prior	Revolving Loans Amortized Cost Basis	Total
Commercial and industrial:								
Pass	$ 454,813	$ 239,411	$ 82,168	$ 75,043	$ 40,534	$ 29,745	$ 1,083,221	$ 2,004,935
Special mention	8,683	2,563	—	—	187	—	1,620	13,053
Classified	3,641	11,455	188	1,978	1,224	3	14,684	33,173
Total commercial and industrial loans	$ 467,137	$ 253,429	$ 82,356	$ 77,021	$ 41,945	$ 29,748	$ 1,099,525	$ 2,051,161
Current period gross charge-offs	$ 28	$ 726	$ 48	$ 869	$ 337	$ 1,103	$ 5,348	$ 8,459
Current period gross recoveries	42	213	4	141	21	2,436	968	3,825
Current period net charge-offs (recoveries)	$ (14)	$ 513	$ 44	$ 728	$ 316	$ (1,333)	$ 4,380	$ 4,634
Mortgage Warehouse Lines of Credit:								
Pass	$ —	$ —	$ —	$ —	$ —	$ —	$ 282,298	$ 282,298
Special mention	—	—	—	—	—	—	2,042	2,042
Classified	—	—	—	—	—	—	527	527
Total mortgage warehouse lines of credit	$ —	$ —	$ —	$ —	$ —	$ —	$ 284,867	$ 284,867
Current period gross charge-offs	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —
Current period gross recoveries	—	—	—	—	—	—	—	—
Current period net charge-offs (recoveries)	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —
Consumer:								
Pass	$ 9,730	$ 3,822	$ 1,210	$ 784	$ 135	$ 15	$ 10,408	$ 26,104
Classified	22	19	—	6	—	—	2	49
Total consumer loans	$ 9,752	$ 3,841	$ 1,210	$ 790	$ 135	$ 15	$ 10,410	$ 26,153
Current period gross charge-offs	$ 3	$ 27	$ 7	$ 2	$ 1	$ 1	$ 2	$ 43
Current period gross recoveries	—	—	7	—	3	5	1	16
Current period net charge-offs (recoveries)	$ 3	$ 27	$ —	$ 2	$ (2)	$ (4)	$ 1	$ 27

The following table reflects recorded investments in loans by credit quality indicator and origination year at December 31, 2021, excluding loans held for sale and loans accounted for at fair value. The Company had an immaterial amount of revolving loans converted to term loans at December 31, 2021.

	Term Loans Amortized Cost Basis by Origination Year							
(Dollars in thousands)	2021	2020	2019	2018	2017	Prior	Revolving Loans Amortized Cost Basis	Total
Commercial real estate:								
Pass	$ 556,218	$ 369,128	$ 278,045	$ 236,543	$ 111,308	$ 86,498	$ 22,904	$ 1,660,644
Special mention	—	—	—	8,392	15,828	—	—	24,220
Classified	2,045	625	772	2,456	299	2,288	163	8,648
Total commercial real estate loans	$ 558,263	$ 369,753	$ 278,817	$ 247,391	$ 127,435	$ 88,786	$ 23,067	$ 1,693,512
Current period gross charge-offs	$ —	$ —	$ —	$ 120	$ 24	$ 26	$ —	$ 170
Current period gross recoveries	—	—	—	48	3	14	—	65
Current period net charge-offs (recoveries)	$ —	$ —	$ —	$ 72	$ 21	$ 12	$ —	$ 105

	Term Loans Amortized Cost Basis by Origination Year							
(Dollars in thousands)	2021	2020	2019	2018	2017	Prior	Revolving Loans Amortized Cost Basis	Total
Construction/land/land development:								
Pass	$ 256,212	$ 102,459	$ 85,442	$ 32,128	$ 5,422	$ 553	$ 30,729	$ 512,945
Special mention	—	—	8,126	—	1,003	—	—	9,129
Classified	443	297	272	1,677	158	—	5,162	8,009
Total construction/land/land development loans	$ 256,655	$ 102,756	$ 93,840	$ 33,805	$ 6,583	$ 553	$ 35,891	$ 530,083
Current period gross charge-offs	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —
Current period gross recoveries	—	—	—	—	—	—	—	—
Current period net charge-offs (recoveries)	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —
Residential real estate:								
Pass	$ 313,898	$ 252,115	$ 109,564	$ 52,515	$ 45,042	$ 59,690	$ 60,342	$ 893,166
Special mention	—	174	—	421	477	—	—	1,072
Classified	1,398	191	2,393	2,848	1,819	6,606	246	15,501
Total residential real estate loans	$ 315,296	$ 252,480	$ 111,957	$ 55,784	$ 47,338	$ 66,296	$ 60,588	$ 909,739
Current period gross charge-offs	$ —	$ 7	$ 61	$ —	$ —	$ 10	$ —	$ 78
Current period gross recoveries	—	21	19	—	25	52	—	117
Current period net charge-offs (recoveries)	$ —	$ (14)	$ 42	$ —	$ (25)	$ (42)	$ —	$ (39)
Commercial and industrial:								
Pass	$ 448,377	$ 164,910	$ 93,488	$ 64,791	$ 14,742	$ 24,014	$ 599,144	$ 1,409,466
Special mention	259	2,170	—	1,519	—	—	3,752	7,700
Classified	14,378	167	2,978	3,849	3,849	3,008	8,840	37,069
Total commercial and industrial loans	$ 463,014	$ 167,247	$ 96,466	$ 70,159	$ 18,591	$ 27,022	$ 611,736	$ 1,454,235
Current period gross charge-offs	$ 9	$ 1,172	$ 54	$ 5	$ 1,467	$ 6,354	$ 2,862	$ 11,923
Current period gross recoveries	—	18	51	3	102	204	339	717
Current period net charge-offs (recoveries)	$ 9	$ 1,154	$ 3	$ 2	$ 1,365	$ 6,150	$ 2,523	$ 11,206
Mortgage Warehouse Lines of Credit:								
Pass	$ —	$ —	$ —	$ —	$ —	$ —	$ 627,078	$ 627,078
Current period gross charge-offs	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —
Current period gross recoveries	—	—	—	—	—	—	—	—
Current period net charge-offs (recoveries)	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —
Consumer:								
Pass	$ 6,976	$ 2,169	$ 1,467	$ 443	$ 55	$ 67	$ 5,407	$ 16,584
Classified	26	21	1	—	—	1	51	100
Total consumer loans	$ 7,002	$ 2,190	$ 1,468	$ 443	$ 55	$ 68	$ 5,458	$ 16,684
Current period gross charge-offs	$ —	$ 5	$ 29	$ 2	$ —	$ 9	$ 18	$ 63
Current period gross recoveries	—	—	20	7	1	17	4	49
Current period net charge-offs (recoveries)	$ —	$ 5	$ 9	$ (5)	$ (1)	$ (8)	$ 14	$ 14

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The following tables present the Company's loan portfolio aging analysis at the dates indicated:

	December 31, 2022						
(Dollars in thousands)	30-59 Days Past Due	60-89 Days Past Due	Loans Past Due 90 Days or More	Total Past Due	Current Loans	Total Loans Receivable	Accruing Loans 90 or More Days Past Due
Loans secured by real estate:							
Commercial real estate	$ 31	$ —	$ 104	$ 135	$ 2,304,543	$ 2,304,678	$ —
Construction/land/land development	854	—	17	871	944,754	945,625	—
Residential real estate	1,814	891	450	3,155	1,474,383	1,477,538	—
Total real estate	2,699	891	571	4,161	4,723,680	4,727,841	—
Commercial and industrial	3,878	1,972	544	6,394	2,044,767	2,051,161	—
Mortgage warehouse lines of credit	—	—	—	—	284,867	284,867	—
Consumer	350	16	11	377	25,776	26,153	—
Total LHFI	$ 6,927	$ 2,879	$ 1,126	$ 10,932	$ 7,079,090	$ 7,090,022	$ —

	December 31, 2021						
(Dollars in thousands)	30-59 Days Past Due	60-89 Days Past Due	Loans Past Due 90 Days or More	Total Past Due	Current Loans	Total Loans Receivable	Accruing Loans 90 or More Days Past Due
Loans secured by real estate:							
Commercial real estate	$ 22	$ —	$ 197	$ 219	$ 1,693,293	$ 1,693,512	$ —
Construction/land/land development	—	129	52	181	529,902	530,083	—
Residential real estate	2,245	352	10,331	12,928	896,811	909,739	—
Total real estate	2,267	481	10,580	13,328	3,120,006	3,133,334	—
Commercial and industrial	77	1,172	10,927	12,176	1,442,059	1,454,235	—
Mortgage warehouse lines of credit	—	—	—	—	627,078	627,078	—
Consumer	90	—	21	111	16,573	16,684	—
Total LHFI	$ 2,434	$ 1,653	$ 21,528	$ 25,615	$ 5,205,716	$ 5,231,331	$ —

U.S. GAAP requires that a discount or premium, and also an allowance for credit losses be recorded on acquired loans. The Company completed the merger with BTH on August 1, 2022. As a result, the Company recorded $5.1 million in net loan discounts and a $5.5 million increase in the allowance for credit losses related to PCD loans. In addition, the Company recorded a Day 1 $14.9 million provision for loan credit losses on non-PCD loans required by the Current Expected Credit Losses ("CECL") guidance.

The following tables detail activity in the allowance for loan credit losses by portfolio segment. Accrued interest of $27.1 million and $15.9 million was not included in the book value for the purposes of calculating the allowance at December 31, 2022 and 2021, respectively. Allocation of a portion of the allowance to one category of loans does not preclude its availability to absorb losses in other categories.

	Year Ended December 31, 2022						
	Commercial Real Estate	Construction/ Land/ Land Development	Residential Real Estate	Commercial and Industrial	Mortgage Warehouse Lines of Credit	Consumer	Total
	(Dollars in thousands)						
Beginning Balance	$ 13,425	$ 4,011	$ 6,116	$ 40,146	$ 340	$ 548	$ 64,586
Allowance for loan credit losses - BTH merger	1	—	—	5,525	—	1	5,527
Charge-offs	166	—	91	8,459	—	43	8,759
Recoveries	40	211	102	3,825	—	16	4,194
Provision[1][2]	6,472	3,554	2,103	9,111	39	334	21,613
Ending Balance	$ 19,772	$ 7,776	$ 8,230	$ 50,148	$ 379	$ 856	$ 87,161
Average Balance	$ 1,951,246	$ 708,758	$ 1,143,190	$ 1,675,719	$ 420,639	$ 20,913	$ 5,920,465
Net Charge-offs to Loan Average Balance	0.01 %	(0.03)%	— %	0.28 %	— %	0.13 %	0.08 %

(1) The $24.7 million provision for credit losses on the consolidated statement of income includes a $21.6 million provision for loan losses, a $2.3 million provision for off-balance sheet commitments and a $732,000 provision for held to maturity securities credit losses for the year ended December 31, 2022.
(2) Excluded from the allowance is $10.8 million in PCD loans that were acquired in the merger with BTH that were added to the allowance and immediately written off.

	Year Ended December 31, 2021						
	Commercial Real Estate	Construction/ Land/ Land Development	Residential Real Estate	Commercial and Industrial	Mortgage Warehouse Lines of Credit	Consumer	Total
	(Dollars in thousands)						
Beginning Balance	$ 15,430	$ 8,191	$ 9,418	$ 51,857	$ 856	$ 918	$ 86,670
Charge-offs	170	—	78	11,923	—	63	12,234
Recoveries	65	—	117	717	—	49	948
Provision[1]	(1,900)	(4,180)	(3,341)	(505)	(516)	(356)	(10,798)
Ending Balance	$ 13,425	$ 4,011	$ 6,116	$ 40,146	$ 340	$ 548	$ 64,586
Average Balance	$ 1,501,890	$ 528,618	$ 916,039	$ 1,627,077	$ 753,588	$ 16,764	$ 5,343,976
Net Charge-offs to Loan Average Balance	0.01 %	— %	— %	0.69 %	— %	0.08 %	0.21 %

(1) The $10.8 million provision for credit losses net benefit on the consolidated statement of income includes a $10.8 million provision for loan losses net benefit, a $68,000 benefit for off-balance sheet commitments and a $101,000 provision for held to maturity securities credit losses for the year ended December 31, 2021.

	Year Ended December 31, 2020						
	Commercial Real Estate	Construction/ Land/ Land Development	Residential Real Estate	Commercial and Industrial	Mortgage Warehouse Lines of Credit	Consumer	Total
	(Dollars in thousands)						
Beginning Balance	$ 10,013	$ 3,711	$ 6,332	$ 16,960	$ 262	$ 242	$ 37,520
Impact of Adopting ASC 326	(5,052)	1,141	(2,526)	7,296	29	360	$ 1,248
Charge-offs	4,924	—	692	6,702	—	76	12,394
Recoveries	19	1	202	1,022	—	24	1,268
Provision[(1)]	15,374	3,338	6,102	33,281	565	368	59,028
Ending Balance	$ 15,430	$ 8,191	$ 9,418	$ 51,857	$ 856	$ 918	$ 86,670
Average Balance	$ 1,322,477	$ 554,038	$ 769,838	$ 1,710,648	$ 574,837	$ 18,707	$ 4,950,545
Net Charge-offs to Loan Average Balance	0.37 %	— %	0.06 %	0.33 %	— %	0.28 %	0.22 %

(1) The $59.9 million provision for credit losses on the consolidated statement of income includes a $59.0 million net loan loss provision, a 902,000 provision for off-balance sheet commitments and a 30,000 provision benefit for held to maturity securities credit losses for the year ended December 31, 2020.

The increase in provision expense during the year ended December 31, 2022, is primarily due to the merger with BTH, completed on August 1, 2022, which required a Day 1 CECL loan provision of $14.9 million for loan credit losses on non-PCD loans along with a $5.5 million allowance for loan credit losses on PCD loans. The allowance for loan credit losses increased $22.6 million compared to December 31, 2021, mainly due to a $23.9 million allowance for BTH loans at December 31, 2022. Qualitative factor changes across the Company's risk pools, which includes the impact of the BTH acquired loans, drove a $22.4 million increase for the year ended December 31, 2022.

The decrease in provision expense during the year ended December 31, 2021, compared to the year ended December 31, 2020, was primarily due to improvement in forecasted economic conditions during the year ended December 31, 2021, as compared to continuing uncertainty related to ongoing economic impact and duration of the COVID-19 pandemic during the year ended December 31, 2020. The Company's credit quality profile in relation to the allowance for loan credit losses drove a decline of $25.1 million in the collectively evaluated portion of the reserve during the year ended December 31, 2021, of which a $19.6 million decrease was related to qualitative factor changes across the Company's risk pools for the year ended December 31, 2021. These declines were partially offset by an increase in certain specific loan reserves at December 31, 2021.

The following table presents the amortized cost basis of collateral dependent loans, which are individually evaluated to determine expected credit losses, and the related Allowance for Loan Credit Losses ("ALCL") allocated to these loans.

	December 31, 2022						
(Dollars in thousands)	Commercial Real Estate	Construction/ Land/ Land Development	Residential Real Estate	Commercial and Industrial	Mortgage Warehouse Lines of Credit	Consumer	Total
Real Estate	$ 273	$ 97	$ 6,731	$ —	$ —	$ —	$ 7,101
Accounts Receivable	—	—	—	831	—	—	831
Equipment	—	—	—	285	—	—	285
Total	$ 273	$ 97	$ 6,731	$ 1,116	$ —	$ —	$ 8,217
ACL Allocation	$ —	$ —	$ —	$ 738	$ —	$ —	$ 738

(Dollars in thousands)	December 31, 2021 Commercial Real Estate	Construction/ Land/ Land Development	Residential Real Estate	Commercial and Industrial	Mortgage Warehouse Lines of Credit	Consumer	Total
Real Estate	$ 166	$ —	$ 8,150	$ —	$ —	$ —	$ 8,316
Accounts Receivable	—	—	—	7,783	—	—	7,783
Equipment	—	—	—	601	—	—	601
Total	$ 166	$ —	$ 8,150	$ 8,384	$ —	$ —	$ 16,700
ACL Allocation	$ —	$ —	$ 19	$ 6,563	$ —	$ —	$ 6,582

Collateral-dependent loans consist primarily of residential real estate and commercial and industrial loans. These loans are individually evaluated when foreclosure is probable or when the repayment of the loan is expected to be provided substantially through the operation or sale of the underlying collateral. In the case of commercial and industrial loans secured by equipment, the fair value of the collateral is estimated by third-party valuation experts. Loan balances are charged down to the underlying collateral value when they are deemed uncollectible. Note that the Company did not elect to use the collateral maintenance agreement practical expedient available under CECL.

Nonaccrual LHFI were as follows:

(Dollars in thousands)	Nonaccrual With No Allowance for Credit Loss		Nonaccrual	
Loans secured by real estate:	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
Commercial real estate	$ 435	$ 453	$ 526	$ 512
Construction/land/land development	59	52	270	338
Residential real estate	7,023	7,684	7,712	11,647
Total real estate	7,517	8,189	8,508	12,497
Commercial and industrial	527	58	1,383	12,306
Mortgage warehouse lines of credit	—	—	—	—
Consumer	—	—	49	100
Total nonaccrual loans	$ 8,044	$ 8,247	$ 9,940	$ 24,903

All interest accrued but not received for loans placed on nonaccrual status is reversed against interest income. Subsequent receipts on nonaccrual loans are recorded as a reduction of principal, and interest income is recorded only after principal recovery is reasonably assured. Loans are returned to accrual status when all the principal and interest amounts contractually due are brought current and future payments are reasonably assured. At December 31, 2022 and 2021, the Company had no funding commitments for which the terms were modified in TDRs.

For the year ended December 31, 2022, 2021 and 2020 gross interest income, that would have been recorded had the nonaccruing loans been current in accordance with their original terms, was $1.3 million, $1.9 million and $1.5 million, respectively. No interest income was recorded on these loans while they were considered nonaccrual during the years ended December 31, 2022, 2021 and 2020.

The Company elects the fair value option for recording residential mortgage loans held for sale in accordance with U.S. GAAP. The Company had $3.9 million of nonaccrual mortgage loans held for sale that were recorded using the fair value option election at December 31, 2022, compared to $1.8 million at December 31, 2021.

Loans classified as TDRs were as follows:

(Dollars in thousands)	December 31, 2022	December 31, 2021
TDRs		
Nonaccrual TDRs	$ 4,389	$ 4,064
Performing TDRs	3,248	2,763
Total	$ 7,637	$ 6,827

The tables below summarize loans classified as TDRs by loan and concession type during the dates indicated.

	Year Ended December 31, 2022					
(Dollars in thousands)	Number of Loans Restructured	Pre-Modification Recorded Balance	Term Concessions	Interest Rate Concessions	Combination of Term and Rate Concessions	Total Modifications
Loans secured by real estate:						
Commercial real estate[(1)]	1	$ 214	$ —	$ —	$ 211	$ 211
Construction/land/land development	2	850	695	—	97	792
Residential real estate	3	3,822	122	3,570	—	3,692
Total real estate	6	4,886	817	3,570	308	4,695
Commercial and industrial	1	20	20	—	—	20
Total	7	$ 4,906	$ 837	$ 3,570	$ 308	$ 4,715

[(1)] Acquired in connection with the BTH merger.

	Year Ended December 31, 2021					
(Dollars in thousands)	Number of Loans Restructured	Pre-Modification Recorded Balance	Term Concessions	Interest Rate Concessions	Combination of Term and Rate Concessions	Total Modifications
Residential real estate	1	$ 31	$ 26	$ —	$ —	$ 26
Commercial and industrial	1	100	100	—	—	100
Total	2	$ 131	$ 126	$ —	$ —	$ 126

	Year Ended December 31, 2020					
(Dollars in thousands)	Number of Loans Restructured	Pre-Modification Recorded Balance	Term Concessions	Interest Rate Concessions	Combination of Term and Rate Concessions	Total Modifications
Loans secured by real estate:						
Commercial real estate	2	$ 1,696	$ 1,694	$ —	$ —	$ 1,694
Residential real estate	5	1,212	—	177	877	1,054
Total real estate	7	2,908	1,694	177	877	2,748
Commercial and industrial	5	217	193	—	—	193
Consumer	1	2	—	—	2	2
Total	13	$ 3,127	$ 1,887	$ 177	$ 879	$ 2,943

There were no loans that defaulted during the year ended December 31, 2022, after having been modified as a TDR within the previous 12 months. During the year ended December 31, 2021, one loan with an outstanding principal balance of $9,000 defaulted after having been modified as a TDR within the previous 12 months. During the year ended December 31, 2020, no loans defaulted after having been modified as a TDR within the previous 12 months. A payment default is defined as a loan that was 90 or more days past due. The Company monitors the performance of the modified loans to their restructured terms on an ongoing basis. In the event of subsequent default, the allowance for loan credit losses continues to be reassessed on the basis of an individual evaluation of each loan. The modifications made during the periods presented did not significantly impact the Company's determination of the allowance for credit losses.

Note 6 - Fair Value of Financial Instruments

Fair value is the exchange price that is expected to be received for an asset or paid to transfer a liability (exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. Certain assets and liabilities are recorded in the Company's consolidated financial statements at fair value. Some are recorded on a recurring basis and some on a non-recurring basis.

The Company utilizes fair value measurement to record fair value adjustments to certain assets and liabilities and to determine fair value disclosures. The determination of fair values of financial instruments often requires the use of estimates. In cases where quoted market values in an active market are not available, the Company utilizes valuation techniques that are consistent with the market approach, the income approach and/or the cost approach to estimate the fair values of its financial instruments. Such valuation techniques are consistently applied.

A hierarchy for fair value has been established, which categorizes the valuation techniques into three levels used to measure fair value. The three levels are as follows:

Level 1 - Fair value is based on unadjusted quoted prices in active markets for identical assets or liabilities.

Level 2 - Fair value is based on significant other observable inputs that are generally determined based on a single price for each financial instrument provided to the Company by an unrelated third-party pricing service and is based on one or more of the following:

- Quoted prices for similar, but not identical, assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in markets that are not active;
- Inputs other than quoted prices that are observable, such as interest rate and yield curves, volatilities, prepayment speeds, loss severities, credit risks and default rates; and
- Other inputs derived from or corroborated by observable market inputs.

Level 3 - Prices or valuation techniques that require inputs that are both significant and unobservable in the market. These instruments are valued using the best information available, some of which is internally developed, and reflects the Company's own assumptions about the risk premiums that market participants would generally require and the assumptions they would use. These estimates can be inherently uncertain.

There were no transfers between fair value reporting levels for any period presented.

Fair Values of Assets and Liabilities Recorded on a Recurring Basis

The following tables summarize financial assets and financial liabilities recorded at fair value on a recurring basis at December 31, 2022 and 2021, segregated by the level of valuation inputs within the fair value hierarchy utilized to measure fair value. There were no changes in the valuation techniques during 2022 or 2021.

	December 31, 2022			
(Dollars in thousands)	Level 1	Level 2	Level 3	Total
State and municipal securities	$ —	$ 334,708	$ 54,769	$ 389,477
Corporate bonds	—	81,258	1,000	82,258
U.S. treasury securities	110,645	—	—	110,645
U.S. government agency securities	—	137,775	—	137,775
Commercial mortgage-backed securities	—	91,943	—	91,943
Residential mortgage-backed securities	—	572,303	—	572,303
Commercial collateralized mortgage obligations	—	38,813	—	38,813
Residential collateralized mortgage obligations	—	146,370	—	146,370
Asset-backed securities	—	71,900	—	71,900
Securities available for sale	110,645	1,475,070	55,769	1,641,484
Securities carried at fair value through income	—	—	6,368	6,368
Loans held for sale	—	25,389	—	25,389
Mortgage servicing rights	—	—	20,824	20,824
Other assets - derivatives	—	26,733	—	26,733
Total recurring fair value measurements - assets	$ 110,645	$ 1,527,192	$ 82,961	$ 1,720,798
Other liabilities - derivatives	$ —	$ (25,275)	$ —	$ (25,275)
Total recurring fair value measurements - liabilities	$ —	$ (25,275)	$ —	$ (25,275)

	December 31, 2021			
(Dollars in thousands)	Level 1	Level 2	Level 3	Total
State and municipal securities	$ —	$ 364,357	$ 41,461	$ 405,818
Corporate bonds	—	82,734	—	82,734
U.S. treasury securities	92,245	—	—	92,245
U.S. government agency securities	—	5,413	—	5,413
Commercial mortgage-backed securities	—	64,243	—	64,243
Residential mortgage-backed securities	—	557,801	—	557,801
Commercial collateralized mortgage obligations	—	19,672	—	19,672
Residential collateralized mortgage obligations	—	193,740	—	193,740
Asset-backed securities	—	83,062	—	83,062
Securities available for sale	92,245	1,371,022	41,461	1,504,728
Securities carried at fair value through income	—	—	7,497	7,497
Loans held for sale	—	37,032	—	37,032
Mortgage servicing rights	—	—	16,220	16,220
Other assets - derivatives	—	11,459	—	11,459
Total recurring fair value measurements - assets	$ 92,245	$ 1,419,513	$ 65,178	$ 1,576,936
Other liabilities - derivatives	$ —	$ (11,494)	$ —	$ (11,494)
Total recurring fair value measurements - liabilities	$ —	$ (11,494)	$ —	$ (11,494)

The changes in Level 3 assets and liabilities measured at fair value on a recurring basis for the year ended December 31, 2022 and 2021, are summarized as follows:

(Dollars in thousands)	MSRs	Securities Available for Sale	Securities at Fair Value Through Income
Balance at January 1, 2022	$ 16,220	$ 41,461	$ 7,497
Gain (loss) recognized in earnings:			
Mortgage banking revenue[1]	1,219	—	—
Other noninterest income	—	—	(854)
Loss recognized in AOCI	—	(4,421)	—
Purchases, issuances, sales and settlements:			
Originations	2,286	—	—
Purchases	—	22,384	—
Acquired in BTH merger	1,099	—	—
Settlements	—	(3,655)	(275)
Balance at December 31, 2022	$ 20,824	$ 55,769	$ 6,368

(Dollars in thousands)	Loans at Fair Value	MSRs	Securities Available for Sale	Securities at Fair Value Through Income
Balance at January 1, 2021	$ 17,011	$ 13,660	$ 44,065	$ 11,554
Gain (loss) recognized in earnings:				
Mortgage banking revenue[1]	—	(2,593)	—	—
Other noninterest income	(251)	—	—	(814)
Loss recognized in AOCI	—	—	(1,263)	—
Purchases, issuances, sales and settlements:				
Originations	—	5,153	—	—
Purchases	—	—	1,000	—
Settlements	(16,760)	—	(2,341)	(3,243)
Balance at December 31, 2021	$ —	$ 16,220	$ 41,461	$ 7,497

(1) Total mortgage banking revenue includes changes in fair value due to market changes and run-off.

The Company obtains fair value measurements for loans at fair value, securities available for sale and securities at fair value through income from an independent pricing service; therefore, quantitative unobservable inputs are unknown.

The following methodologies were used to measure the fair value of financial assets and liabilities valued on a recurring basis:

Securities Available for Sale

Securities classified as available for sale are reported at fair value utilizing Level 1, Level 2 or Level 3 inputs. For Level 1 securities, the Company obtains the fair value measurements for those identical assets from an independent pricing service. For Level 2 securities, the Company obtains fair value measurements from an independent pricing service. The fair value measurements consider observable data that may include dealer quotes, market spreads, cash flows, the U.S. Treasury yield curve, live trading levels, market consensus prepayment speeds, credit information and the security's terms and conditions, among other things. In order to ensure the fair values are consistent with ASC 820, *Fair Value Measurements and Disclosures*, the Company periodically checks the fair value by comparing them to other pricing sources, such as Bloomberg LP. The third-party pricing service is subject to an annual review of internal controls in accordance with the Statement on Standards for Attestation Engagements No. 16, which was made available to the Company. In certain cases where Level 2 inputs are not available, securities are classified within Level 3 of the hierarchy.

Mortgage Servicing Rights ("MSRs")

The carrying amounts of the MSRs equal fair value, which are determined using a discounted cash flow valuation model. The significant assumptions used to value MSRs were as follows:

	December 31, 2022		December 31, 2021	
	Range	Weighted Average[(1)]	Range	Weighted Average[(1)]
Prepayment speeds	7.65% - 9.20%	8.11 %	9.10% - 36.51%	15.63 %
Discount rates	9.50 - 22.07	12.55	8.89 - 10.39	9.32

(1) The weighted average was calculated with reference to the principal balance of the underlying mortgages.

In recent years, there have been significant market-driven fluctuations in the assumptions listed above. Loans with higher average coupon rates have a greater likelihood of prepayment during comparatively low interest rate environments, while loans with lower average coupon rates have a lower likelihood of prepayment. The increase in rates since the year ended December 31, 2021, has caused a decrease in our weighted average prepayment speed and an increase in our discount rate assumptions used in the MSR valuation. These fluctuations can be rapid and may continue to be significant. Therefore, estimating these assumptions within ranges that market participants would use in determining the fair value of MSRs requires significant management judgment.

During the second half of 2022, the Company recognized an impairment of $2.0 million and entered into an agreement to sell its GNMA MSR portfolio, which met all final sale conditions in early 2023. The Company sold approximately $1.8 million in GNMA MSR, with no significant additional gain or loss realized, and derecognized the related GNMA repurchase asset and offsetting liability of $24.6 million.

Derivatives

Fair values for interest rate swap agreements and interest rate lock commitments are based upon the amounts that would be required to settle the contracts. Fair values for risk participations, forward mortgage backed security purchases or loan sale commitments and future contracts to purchase United States treasury notes are based on the fair values of the underlying mortgage loans or securities and the probability of such commitments being exercised. Significant management judgment and estimation is required in determining these fair value measurements.

Fair Values of Assets Recorded on a Recurring Basis for which the Fair Value Option has been Elected

Certain assets are measured at fair value on a recurring basis due to the Company's election to adopt fair value accounting treatment for those assets. This election allows for a more effective offset of the changes in fair values of the assets and the derivative instruments used to economically hedge them without the burden of complying with the requirements for hedge accounting under ASC Topic 815, *Derivatives and Hedging.* For assets for which the fair value has been elected, the earned current contractual interest payment is recognized in interest income, loan origination costs and fees on fair value option loans are recognized in earnings as incurred and not deferred. At December 31, 2022 and 2021, there were no gains or losses recorded attributable to changes in instrument-specific credit risk. The following tables summarize the difference between the fair value and the unpaid principal balance for financial instruments for which the fair value option has been elected:

	December 31, 2022		
(Dollars in thousands)	Aggregate Fair Value	Principal Balance/Amortized Cost	Difference
Loans held for sale[(1)]	$ 25,389	$ 24,946	$ 443
Securities carried at fair value through income	6,368	7,100	(732)
Total	$ 31,757	$ 32,046	$ (289)

(1) $3.9 million of loans held for sale were designated as nonaccrual or 90 days or more past due at December 31, 2022. Of this balance, $3.3 million was guaranteed by U.S. Government agencies.

	December 31, 2021		
(Dollars in thousands)	Aggregate Fair Value	Principal Balance/Amortized Cost	Difference
Loans held for sale[(1)]	$ 37,032	$ 36,072	$ 960
Securities carried at fair value through income	7,497	7,375	122
Total	$ 44,529	$ 43,447	$ 1,082

(1) $1.8 million of loans held for sale were designated as nonaccrual or 90 days or more past due at December 31, 2021. Of this balance, $1.2 million was guaranteed by U.S. Government agencies.

Changes in the fair value of assets for which the Company elected the fair value option are classified in the consolidated statements of income line items reflected in the following table:

(Dollars in thousands)	Years Ended December 31,		
Changes in fair value included in noninterest income:	2022	2021	2020
Mortgage banking revenue (loans held for sale)	$ (517)	$ (5,111)	$ 5,131
Other income:			
Loans at fair value held for investment	—	(251)	(53)
Securities carried at fair value through income	(854)	(814)	493
Total impact on other income	(854)	(1,065)	440
Total fair value option impact on noninterest income [(1)]	$ (1,371)	$ (6,176)	$ 5,571

(1) The fair value option impact on noninterest income is offset by the derivative gain/loss recognized in noninterest income. Please see *Note 10 - Mortgage Banking* for more detail.

The following methodologies were used to measure the fair value of financial assets valued on a recurring basis for which the fair value option was elected:

Securities at Fair Value through Income

Securities carried at fair value through income are valued using a discounted cash flow with a credit spread applied to each instrument based on the creditworthiness of each issuer. Credit spreads ranged from 83 to 227 basis points at both December 31, 2022 and 2021. The Company believes the fair value approximates an exit price.

Loans Held for Sale

Fair values for loans held for sale are established using anticipated sale prices for loans allocated to a sale commitment, and those unallocated to a commitment are valued based on the interest rate and term for similar loans allocated. The Company believes the fair value approximates an exit price.

Fair Value of Assets Recorded on a Nonrecurring Basis

Equity Securities without Readily Determinable Fair Values

Equity securities without readily determinable fair values totaled $67.4 million and $45.2 million at December 31, 2022 and 2021, respectively, and are shown on the face of the consolidated balance sheets. The majority of the Company's equity investments qualify for the practical expedient allowed for equity securities without a readily determinable fair value, such that the Company has elected to carry these securities at cost adjusted for any observable transactions during the period, less any impairment. To date, no impairment has been recorded on the Company's investments in equity securities that do not have readily determinable fair values.

Government National Mortgage Association Repurchase Asset

The Company recorded $24.6 million and $43.4 million, respectively, at December 31, 2022 and 2021, for Government National Mortgage Association ("GNMA") repurchase assets included in loans held for sale on the consolidated balance sheets. The assets are valued at the lower of cost or market and, where market is lower than cost, valued using anticipated sale prices for loans allocated to a sale commitment, and those unallocated to a commitment are valued based on the interest rate and term for similar loans allocated. The Company believes the fair value approximates an exit price.

During the second half of 2022, the Company recognized an impairment of $2.0 million and entered into an agreement to sell its GNMA MSR portfolio, which met all final sale conditions in early 2023. The Company sold approximately $1.8 million in GNMA MSR, with no significant additional gain or loss realized, and derecognized the related GNMA repurchase asset and offsetting liability of $24.6 million.

Individually Evaluated Loans with Credit Losses

Loans for which it is probable that the Company will not collect all principal and interest due according to contractual terms are measured to determine if any credit loss exists. Allowable methods for determining the amount of credit loss include estimating the fair value using the fair value of the collateral for collateral-dependent loans and a discounted cash flow methodology for other evaluated loans that are not collateral dependent. If the loan is identified as collateral-dependent, the fair value method of measuring the amount of credit loss is utilized. Evaluating the fair value of the collateral for collateral-dependent loans requires obtaining a current independent appraisal of the collateral and applying a discount factor to the value. If the loan is not collateral-dependent, the discounted cash flow method is utilized, which involves assumptions and judgments as to credit risk, prepayment risk, liquidity risk, default rates, loss severity, payment speeds, collateral values and discount rate. Loans that have experienced a credit loss with specific allocated losses are within Level 3 of the fair value hierarchy when the credit loss is determined using the fair value method. The fair value of loans that have experienced a credit loss with specific allocated losses was approximately $20.7 million and $4.8 million at December 31, 2022 and 2021, respectively.

Non-Financial Assets

Foreclosed assets held for sale are the only non-financial assets valued on a non-recurring basis that are initially recorded by the Company at fair value, less estimated costs to sell. At foreclosure, if the fair value, less estimated costs to sell, of the real estate acquired is less than the Company's recorded investment in the related loan, a write-down is recognized through a charge to the allowance for loan credit losses. Additionally, valuations are periodically performed by management, and any subsequent reduction in value is recognized by a charge to income. The carrying value and fair value of foreclosed assets held for sale was estimated using Level 3 inputs based on observable market data and was $806,000 and $1.5 million at December 31, 2022 and 2021, respectively. At December 31, 2022 and 2021, the Company had $10,000 and $5.9 million, respectively, in principal amount of residential mortgage loans in the process of foreclosure.

Fair Values of Financial Instruments Not Recorded at Fair Value

Loans

The estimated fair value approximates carrying value for variable-rate loans that reprice frequently and with no significant change in credit risk. The fair value of fixed rate loans and variable-rate loans, which reprice on an infrequent basis, is estimated by discounting future cash flows using exit level pricing, which combines the current interest rates at which similar loans with similar terms would be made to borrowers of similar credit quality and an estimated additional rate to reflect a liquidity premium. An overall valuation adjustment is made for specific credit risks as well as general portfolio credit risk.

Deposits

The estimated fair value approximates carrying value for demand deposits. The fair value of fixed rate deposit liabilities with defined maturities is estimated by discounting future cash flows using the interest rates currently available for funding from the FHLB. The estimated fair value of deposits does not take into account the value of our long-term relationships with depositors, commonly known as core deposit intangibles, which are separate intangible assets, and not considered financial instruments. Nonetheless, the Company would likely realize a core deposit premium if the deposit portfolio were sold in the principal market for such deposits.

Borrowed Funds

The estimated fair value approximates carrying value for short-term borrowings. The fair value of long-term fixed rate and fixed-to-floating-rate borrowings is estimated using quoted market prices, if available, or by discounting future cash flows using current interest rates for similar financial instruments. The estimated fair value approximates carrying value for variable-rate junior subordinated debentures that reprice quarterly.

The carrying value and estimated fair values of financial instruments not recorded at fair value are as follows:

(Dollars in thousands)	December 31, 2022		December 31, 2021	
Financial assets:	Carrying Value	Estimated Fair Value	Carrying Value	Estimated Fair Value
Level 1 inputs:				
Cash and cash equivalents	$ 358,972	$ 358,972	$ 705,618	$ 705,618
Level 2 inputs:				
Non-marketable equity securities held in other financial institutions	67,378	67,378	45,192	45,192
GNMA repurchase asset	24,569	24,569	43,355	43,355
Accrued interest and loan fees receivable	38,136	38,136	23,402	23,402
Level 3 inputs:				
Securities held to maturity	11,275	11,970	22,767	25,117
LHFI, net	7,002,861	6,835,770	5,166,745	5,133,257
Financial liabilities:				
Level 2 inputs:				
Deposits	7,775,702	7,753,966	6,570,693	6,572,215
FHLB advances and other borrowings	639,230	639,103	309,801	305,374
Subordinated indebtedness	201,765	181,624	157,417	156,629
Accrued interest payable	3,917	3,917	2,696	2,696

Note 7 - Premises and Equipment

Major classifications of premises and equipment are summarized below:

(Dollars in thousands)	December 31, 2022	December 31, 2021
Land, buildings and improvements	$ 102,342	$ 87,313
Furniture, fixtures and equipment	31,648	28,454
Leasehold improvements	21,481	17,864
Construction in process	4,808	1,377
Total premises and equipment	160,279	135,008
Accumulated depreciation	(60,078)	(54,317)
Premises and equipment, net	$ 100,201	$ 80,691

Depreciation expense for premises and equipment totaled $6.8 million, $6.0 million and $5.8 million for the years ended December 31, 2022, 2021 and 2020, respectively.

Note 8 - Leases

The Company leases certain real estate, as well as certain equipment, under non-cancelable operating leases that expire at various dates through 2052.

The consolidated balance sheets detail and components of the Company's lease expense were as follows:

(Dollars in thousands)	December 31, 2022	December 31, 2021
Operating lease right of use assets (included in Accrued interest receivable and other assets)	$ 32,608	$ 23,732
Operating lease liabilities (included in Accrued expenses and other liabilities)	34,621	25,691
Finance lease liabilities (included in Accrued expenses and other liabilities)	2,551	2,852
Weighted average remaining lease term (years) - operating leases	10.66	9.47
Weighted average discount rate - operating leases	3.71 %	2.89 %

(Dollars in thousands)	Years Ended December 31, 2022	Years Ended December 31, 2021	Years Ended December 31, 2020
Lease expense:			
Operating lease expense	$ 5,344	$ 4,553	$ 4,680
Other lease expense	365	369	265
Total lease expense	$ 5,709	$ 4,922	$ 4,945
Right of use assets obtained in exchange for new operating lease liabilities	$ 13,428	$ 5,776	$ 1,338

Maturities of operating lease liabilities at December 31, 2022, were as follows:

(Dollars in thousands)	December 31, 2022
2023	$ 5,777
2024	4,954
2025	4,431
2026	3,900
2027	3,713
Thereafter	19,317
Total lease payments	42,092
Less: Imputed interest	7,471
Total lease obligations	$ 34,621

Supplemental cash flow related to leases was as follows:

	Year Ended December 31, 2022	Year Ended December 31, 2021
Cash paid for operating leases	$ 5,311	$ 4,890

Note 9 - Goodwill and Other Intangible Assets

During 2022, the Company recorded goodwill totaling $94.5 million and other intangible assets totaling $38.4 million in connection with the merger with BTH. During 2021, the Company recorded goodwill totaling $7.4 million and other intangible assets totaling $14.1 million in connection with the acquisitions of the Lincoln Agency and Pulley-White.

The components of the Company's goodwill and other intangible assets are as follows:

(Dollars in thousands) December 31, 2022	Gross Carrying Amount at Period End	Beginning Balance	Mergers/Acquisitions	Accumulated Amortization	Net Carrying Amount at Period End
Goodwill		$ 34,153	$ 94,526	N/A	$ 128,679
Other intangible assets:					
Core deposit intangibles	$ 38,356	$ 12	$ 38,356	$ (3,428)	$ 34,940
Relationship based intangibles	19,650	15,229	—	(5,940)	13,710
Tradename	818	818	—	(91)	727
Non-compete	903	903	—	(451)	452
Total		$ 16,962	$ 38,356	$ (9,910)	$ 49,829
December 31, 2021					
Goodwill[(1)]		$ 26,741	$ 7,412	N/A	$ 34,153
Other intangible assets:					
Core deposit intangibles	1,260	$ 1,260	$ —	$ (1,248)	$ 12
Relationship based intangibles	19,650	7,304	12,346	(4,421)	15,229
Tradename	1,004	186	818	(186)	818
Non-compete	903	—	903	—	903
Total		$ 8,750	$ 14,067	$ (5,855)	$ 16,962

(1) A downward adjustment of $215,000 to the preliminary goodwill estimate was recorded in conjunction with the accounting of the acquisitions of the Lincoln Agency and Pulley-White subsequent to December 31, 2021, and is reflected in the goodwill amount in the above schedule.

Core deposit intangibles acquired during the year ended December 31, 2022, represent the value of the relationships that BTH had with their deposit customers and are amortized over 10 years using an accelerated amortization methodology.

Amortization expense on other intangible assets totaled $5.5 million, $844,000 and $1.1 million for the years ended December 31, 2022, 2021 and 2020, respectively, and was included as a component of other noninterest expense in the consolidated statements of income.

Estimated future amortization expense for intangible assets remaining at December 31, 2022, was as follows:

(Dollars in thousands) Years Ended December 31,	
2023	$ 9,500
2024	7,676
2025	6,383
2026	5,335
2027	4,454
Thereafter	16,481
Total	$ 49,829

Note 10 - Mortgage Banking

The following table presents the Company's revenue from mortgage banking operations:

(Dollars in thousands)	Year Ended December 31,		
Mortgage banking revenue	**2022**	**2021**	**2020**
Origination	$ 774	$ 1,379	$ 1,880
Gain (loss) on sale of loans held for sale	4,889	11,862	13,481
Originations of MSRs	2,286	5,153	5,709
Servicing	5,643	5,990	6,116
Total gross mortgage revenue	13,592	24,384	27,186
MSR valuation adjustments, net	1,219	(2,593)	(12,746)
Mortgage HFS and pipeline fair value adjustment	(1,352)	(6,897)	7,351
MSR hedge impact	(6,737)	(1,967)	7,812
Mortgage banking revenue (loss)	$ 6,722	$ 12,927	$ 29,603

Management uses TBA mortgage-backed securities and U.S. Treasury futures to mitigate the impact of changes in fair value of MSRs. See *Note 13 - Derivative Financial Instruments* for further information.

Mortgage Servicing Rights

Activity in MSRs was as follows:

	Year Ended December 31,		
(Dollars in thousands)	**2022**	**2021**	**2020**
Balance at beginning of period	$ 16,220	$ 13,660	$ 20,697
Servicing acquired in BTH merger	1,099	—	—
Addition of servicing rights	2,286	5,153	5,709
Valuation adjustment, net of amortization	1,219	(2,593)	(12,746)
Balance at end of period	$ 20,824	$ 16,220	$ 13,660

During the second half of 2022, the Company recognized an impairment of $2.0 million and entered into an agreement to sell its GNMA MSR portfolio, which met all final sale conditions in early 2023. The Company sold approximately $1.8 million in GNMA MSR, with no significant additional gain or loss realized, and derecognized the related GNMA repurchase asset and offsetting liability of $24.6 million in the first quarter of 2023.

The Company receives annual servicing fee income approximating 0.28% of the outstanding balance of the underlying loans. In connection with the Company's activities as a servicer of mortgage loans, the investors and the securitization trusts have no recourse to the Company's assets for failure of debtors to pay when due.

The Company is potentially subject to losses in its loan servicing portfolio due to loan foreclosures. The Company has obligations to either repurchase the outstanding principal balance of a loan or make the purchaser whole for the economic benefits of a loan if it is determined that the loan sold violated representations or warranties made by the Company and/or the borrower at the time of the sale, which the Company refers to as mortgage loan servicing putback expenses. Such representations and warranties typically include those made regarding loans that had missing or insufficient file documentation and/or loans obtained through fraud by borrowers or other third parties. Putback claims may be made until the loan is paid in full. When a putback claim is received, the Company evaluates the claim and takes appropriate actions based on the nature of the claim. The Company is required by the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation to provide a response to putback claims within 60 of the date of receipt.

At December 31, 2022 and 2021, the reserve for mortgage loan servicing putback expenses totaled $217,000 and $379,000, respectively. There is inherent uncertainty in reasonably estimating the requirement for reserves against future mortgage loan servicing putback expenses. Future putback expenses depend on many subjective factors, including the review procedures of the purchasers and the potential refinance activity on loans sold with servicing released and the subsequent consequences under the representations and warranties.

GNMA optional repurchase programs allow financial institutions to buy back individual delinquent mortgage loans that meet certain criteria from the securitized loan pool for which the institution provides servicing. At the servicer's option, and without GNMA's prior authorization, the servicer may repurchase a delinquent loan for an amount equal to 100% of the remaining principal balance of the loan. This buy-back option is considered a conditional option until the delinquency criteria are met, at which time the option becomes unconditional. When a financial institution is deemed to have regained effective control over these loans under the unconditional buy-back option, the loans can no longer be reported as sold and must be included in the consolidated balance sheets as mortgage loans held for sale, regardless of whether the institution intends to exercise the buy-back option. These loans totaled $24.6 million and $43.4 million at December 31, 2022 and 2021, respectively, and were recorded as mortgage loans held for sale at the lower of cost or fair value with a corresponding liability in FHLB advances and other borrowings on the Company's consolidated balance sheets.

As mentioned above, the Company sold approximately $1.8 million in GNMA MSR and derecognized the related GNMA repurchase asset and offsetting liability of $24.6 million during the first quarter of 2023.

Note 11 - Deposits

Deposit balances are summarized as follows:

	December 31,	
(Dollars in thousands)	2022	2021
Noninterest-bearing demand	$ 2,482,475	$ 2,163,507
Money market	2,442,559	2,204,109
Interest bearing demand	1,737,158	1,412,089
Time deposits	787,287	543,128
Savings	326,223	247,860
Total	$ 7,775,702	$ 6,570,693

Municipal deposits totaled $794.6 million and $814.8 million at December 31, 2022 and 2021, respectively.

Included in time deposits at December 31, 2022 and 2021, are $322.2 million and $222.7 million, respectively, of time deposits in denominations of $250,000 or more.

Maturities of time deposits, at December 31, 2022, are as follows:

(Dollars in thousands)	
Years Ended December 31,	
2023	$ 539,763
2024	212,316
2025	18,799
2026	6,321
2027	9,860
2028	228
Total	$ 787,287

At December 31, 2022 and 2021, overdrawn deposits of $1.3 million and $1.9 million, respectively, were reclassified as unsecured loans.

Note 12 - Borrowings

Borrowed funds are summarized as follows:

	December 31,	
(Dollars in thousands)	2022	2021
Short-term FHLB advances	$ 550,000	$ —
Long-term FHLB advances	6,740	256,999
GNMA repurchase liability	24,569	43,355
Overnight repurchase agreements with depositors	27,921	9,447
Correspondent short-term borrowings	30,000	—
Total FHLB advances and other borrowings	$ 639,230	$ 309,801
Subordinated indebtedness, net	$ 201,765	$ 157,417

Additional details of certain FHLB advances are as follows:

(Dollars in thousands)	Amount	Interest Rate	Maturity Date
At December 31, 2022:			
Short-term FHLB advance, fixed rate	$ 450,000	4.55 %	1/3/2023
Short-term FHLB advance, fixed rate	100,000	4.62	1/13/2023
At December 31, 2021:			
Long-term FHLB advance, callable quarterly, fixed rate	250,000	1.65	8/23/2033

Security for all indebtedness and outstanding commitments to the FHLB consists of a blanket floating lien on all of the Company's first mortgage loans, commercial real estate and other real estate loans, as well as the Company's investment in capital stock of the FHLB and deposit accounts at the FHLB. The net amounts available under the blanket floating lien at December 31, 2022 and 2021, were $1.29 billion and $982.2 million, respectively.

Long-Term Borrowings

Interest rates for FHLB long-term advances outstanding at December 31, 2022, ranged from 1.99% to 4.57%. Interest rates for FHLB long-term advances outstanding at December 31, 2021, ranged from 1.65% to 4.57%. These advances are all fixed rate and are subject to restrictions or penalties in the event of prepayment.

Scheduled maturities of long-term advances from the FHLB at December 31, 2022, are as follows:

(Dollars in thousands)	
Years Ended December 31,	
2026	$ 483
2027	1,376
Thereafter	4,881
Total	$ 6,740

Short-Term Borrowings

In conjunction with the BTH merger, the Company assumed certain repurchase agreements with former BTH depositors that included the sale and repurchase of BTH investment securities of at least equal to the daily balance of the BTH depositor's account, subject to maximum limitations, with various maturity dates. These BTH repurchase agreements were restructured and integrated into the Company's repurchase agreements which include the sale and repurchase of investment securities and mature on a daily basis. The total overnight repurchase agreements with depositors carried a daily average interest rate of 0.24% for the year ended December 31, 2022, and 0.08% for the year ended December 31, 2021, rated into the Company's repurchase agreements which include the sale and repurchase of investment securities and mature on a daily basis.

The Company had unsecured lines of credit for the purchase of federal funds in the amount of $140.0 million at both December 31, 2022 and 2021. The Company also had a $75.0 million secured repurchase line of credit at December 31, 2022 and 2021. There were no amounts outstanding on these lines at either date. It is customary for the financial institutions granting the unsecured lines of credit to require a minimum amount of cash be held on deposit at that institution. Amounts required to be held on deposit are typically $250,000 or less, and the Company has complied with all compensating balance requirements to allow utilization of these lines of credit.

Additionally, at December 31, 2022 and 2021, the Company had the availability to borrow $1.23 billion and $856.8 million, respectively, from the discount window at the Federal Reserve Bank of Dallas, with $1.76 billion and $1.09 billion in commercial and industrial loans pledged as collateral, respectively. There were no borrowings against this line at December 31, 2022 or 2021.

Holding Company Line of Credit

On October 5, 2018, the Company entered into a Loan Agreement (the "Loan Agreement"), along with certain ancillary instruments, with NexBank SSB ("Lender") pursuant to which the Lender would make one or more revolving credit loans of up to $50 million to the Company, maturing October 5, 2021, which the Company could use for working capital and general corporate purposes. On October 5, 2021, the Company entered into a first amendment to the Loan Agreement extending the maturity to November 5, 2021. On October 29, 2021, the Company entered into a second amendment (the "Amendment") to the Loan Agreement. Pursuant to the Amendment, the loan may not exceed an aggregate principal amount of $100 million, consisting of the $50 million existing loan amount and any one or more potential incremental revolving loan commitments that the Lender may make in its sole discretion, up to an aggregate principal of $50 million, upon the request of the Company. The Lender has no obligation to agree to extend any incremental revolving loan or to increase the loan amount. The principal amounts borrowed under the Loan Agreement bear interest at a variable rate equal to the applicable Term SOFR for the then-current SOFR Interest Period plus 3.35% (as such terms are defined in the Loan Agreement). Pursuant to the Amendment, the line of credit available to the Company expired on October 28, 2022, or such date of the acceleration of the obligation pursuant to the Loan Agreement, as amended, at which time all amounts borrowed, together with applicable interest, fees and other amounts owed by the Company shall be due and payable. The Company may extend the maturity date to a date that is three hundred and sixty-four (364) days after the then-effective maturity date, no more than two times upon (i) delivery of a written request therefor to Lender at least thirty (30) days, but no more than (60) days, prior to the maturity date then in effect; and (ii) receipt by the Lender of a certificate of the Company dated the date of such request. The Company exercised the request for extension and the maturity date was extended to October 27, 2023. The Company had $30.0 million and zero outstanding on this revolving credit loan under the Loan Agreement at December 31, 2022 and 2021, respectively.

Subordinated Indebtedness

As detailed in the table below and included in subordinated indebtedness, net in the table above, on August 1, 2022, the Company assumed $37.6 million of subordinated promissory notes ("BTH Notes") from BTH.

Debt Security	Issue Year	Interest Rate	Outstanding Amount
(Dollars in thousands)			
Floating rate subordinated promissory notes due June 2025	2015	Prime +175 bps Min: 3.875% Max: 6.375%	$ 5,500
Floating rate subordinated promissory notes due December 2023	2016	Prime +125 bps Min: 3.875% Max: 6.375%	3,000
Floating rate subordinated promissory notes due December 2026	2016	Prime +175 bps Min: 3.875% Max: 6.375%	6,750
Floating rate subordinated promissory notes due December 2024	2017	Prime +125 bps Min: 3.875% Max: 6.375%	11,100
Floating rate subordinated promissory notes due December 2027	2017	Prime +175 bps Min: 3.875% Max: 6.375%	5,200
Floating rate subordinated promissory notes due December 2025	2018	Prime +50 bps Min: 3.875% Max: 6.125%	3,200
Floating rate subordinated promissory notes due December 2028	2018	Prime +75 bps Min: 3.875% Max: 6.125%	1,900
Fixed to floating rate subordinated promissory notes due June 2031	2021	Through 6/30/26: 4.00% After 6/30/26: Prime +75 bps Min: 3.875% Max: 6.125%	1,000
Fair value adjustment at December 31, 2022			(47)
Total assumed subordinated notes at December 31, 2022			37,603
Legacy subordinated indebtedness described below			147,894
Total subordinated indebtedness, excluding junior subordinated debt			$ 185,497

The BTH Notes are intended to qualify for Tier 2 capital treatment and are substantively identical in terms and conditions, including priority, except for the maturity dates and interest rates payable on the notes. Interest is payable on the BTH Notes quarterly, and the principal amount of each BTH Note is payable at maturity. After the five-year anniversary of issuance, the Company can redeem the BTH Notes in part or in full at the Company’s discretion and, if applicable, subject to receipt of any required regulatory approvals. In addition, the BTH Notes can be redeemed at any time without penalty, upon not less than ten days’ notice, in the event that (i) the BTH Notes no longer qualify as Tier 2 capital as a result of any amendment or change in interpretation or application of laws or regulation that becomes effective after the date of issuance of the BTH Notes, or (ii) a tax event, or (iii) investment company act event, as defined in the BTH Notes. The BTH Notes are unsecured and rank senior to the Company’s common stock, any preferred stock that may be issued, and the BTH TruPS (defined below).

In February 2020, Origin Bank completed an offering of $70.0 million in aggregate principal amount of 4.25% fixed-to-floating rate subordinated notes due 2030 (the “4.25% Notes”) to certain investors in a transaction exempt from registration under Section 3(a)(2) of the Securities Act of 1933, as amended. The 4.25% Notes initially bear interest at a fixed annual rate of 4.25%, payable semi-annually in arrears, to but excluding February 15, 2025. From and including February 15, 2025, to but excluding the maturity date or early redemption date, the interest rate will equal the three-month LIBOR rate (provided, that in the event the three-month LIBOR is less than zero, the three-month LIBOR will be deemed to be zero) plus 282 basis points, payable quarterly in arrears, subject to customary fallback provision upon the discontinuation of LIBOR. Origin Bank is entitled to redeem the 4.25% Notes, in whole or in part, on or after February 15, 2025, and to redeem the 4.25% Notes at any time in whole upon certain other specified events. The 4.25% Notes qualify as Tier 2 capital for regulatory capital purposes for Origin Bank.

In October 2020, the Company completed of an offering of $80.0 million in aggregate principal amount of 4.50% fixed-to-floating rate subordinated notes due 2030 (the “4.50% Notes”). The 4.50% Notes bear a fixed interest rate of 4.50% payable semi-annually in arrears, to but excluding November 1, 2025. From and including November 1, 2025, to but excluding the maturity date or earlier redemption date, the 4.50% Notes bear a floating interest rate expected to equal the three-month term Secured Overnight Financing Rate plus 432 basis points, payable quarterly in arrears. The Company may redeem the 4.50% Notes at any time upon certain specified events or in whole or in part on or after November 1, 2025. The 4.50% Notes qualify as Tier 2 capital for regulatory capital purposes for the Company and a portion was transferred to Origin Bank, which qualifies as Tier 1 capital for regulatory capital purposes for the Bank.

The balance of the subordinated indebtedness varies from the amounts carried on the consolidated balance sheets due to the remaining purchase discount of $3.2 million and $3.4 million, at December 31, 2022 and 2021, respectively, which was established at the time of issuance and is being amortized over the remaining life of the securities using the interest method.

On August 1, 2022, the Company assumed BTH's obligations with respect to $7.2 million in aggregate principal amount of junior subordinated debentures issued to a statutory trust of BTH ("BTH TruPS"). The BTH TruPS and the Company's two other wholly-owned, unconsolidated subsidiary grantor trusts were established for the purpose of issuing trust preferred securities. The trust preferred securities accrue and pay distributions periodically at specified annual rates as provided in each trust agreement. The trusts used the net proceeds from each of the offerings to purchase a like amount of junior subordinated debentures (the "debentures") of the Company. The debentures are the sole assets of the trusts. The Company's obligations under the debentures and related documents, taken together, constitute a full and unconditional guarantee by the Company of the obligations of the trusts. The trust preferred securities are mandatorily redeemable upon maturity of the debentures and can be currently redeemed by the Company in whole or in part at a redemption price equal to 100% of the outstanding principal amount of the debentures, plus any accrued but unpaid interest to the redemption date. The trust preferred securities qualify as Tier 1 capital of the Company for regulatory purposes, subject to certain limitations.

The following table is a summary of the terms of the current junior subordinated debentures at December 31, 2022:

(Dollars in thousands) Issuance Trust	Issuance Date	Maturity Date	Amount Outstanding	Rate Type	Current Rate	Maximum Rate
CTB Statutory Trust I	07/2001	07/2031	$ 6,702	Variable (1)	7.71 %	12.50 %
First Louisiana Statutory Trust I	09/2006	12/2036	4,124	Variable (2)	6.57	16.00
BT Holdings Trust I	05/2007	09/2037	7,217	Variable (3)	6.37	N/A
Par amount			$ 18,043			
Unamortized original issue discount			(1,055)			
Unamortized purchase accounting discount			(720)			
Total junior subordinated debt at December 31, 2022			$ 16,268			

(1) The trust preferred securities reprice quarterly based on the three-month LIBOR plus 3.30%, with the last reprice date on October 27, 2022.
(2) The trust preferred securities reprice quarterly based on the three-month LIBOR plus 1.80%, with the last reprice date on December 13, 2022.
(3) The trust preferred securities reprice quarterly based on the three-month LIBOR plus 1.64% with the last reprice date on December 2, 2022.

Note 13 - Derivative Financial Instruments

Risk Management Objective of Using Derivatives

The Company enters into derivative financial instruments to manage risks related to differences in the amount, timing, and duration of the Company's known or expected cash receipts and its known or expected cash payments, as well as to manage changes in fair values of some assets which are marked at fair value through the consolidated statement of income on a recurring basis.

Cash Flow Hedges of Interest Rate Risk

The Company is a party to interest rate swap agreements under which the Company receives interest at a variable rate and pays at a fixed rate. The derivative instruments represented by these swap agreements are designated as cash flow hedges of the Company's forecasted variable cash flows under a variable-rate term borrowing agreements. During the terms of the swap agreements, the effective portion of changes in the fair value of the derivative instruments are recorded in accumulated other comprehensive (loss) income and subsequently reclassified into earnings in the periods that the hedged forecasted variable-rate interest payments affected earnings. There was no ineffective portion of the change in fair value of the derivatives recognized directly in earnings. The entire swap fair value will be reclassified into earnings before the expiration dates of the swap agreements.

Derivatives Not Designated as Hedges

Customer interest rate derivative program

The Company offers certain derivatives products, primarily interest rate swaps, directly to qualified commercial banking customers to facilitate their risk management strategies. In most instances, the Company acts only as an intermediary, simultaneously entering into offsetting agreements with unrelated financial institutions, thereby mitigating its net risk exposure resulting from such transactions without significantly impacting its results of operations. Because the interest rate derivatives associated with this program do not meet hedge accounting requirements, changes in the fair value of both the customer derivatives and any offsetting derivatives are recognized directly in earnings as a component of noninterest income.

From time to time, the Company shares in credit risk on interest rate swap arrangements, by entering into risk participation agreements with syndication partners. These are accounted for at fair value and disclosed as risk participation derivatives.

Mortgage banking derivatives

The Company enters into certain derivative agreements as part of its mortgage banking and related risk management activities. These agreements include interest rate lock commitments on prospective residential mortgage loans and forward commitments to sell these loans to investors on a mandatory delivery basis. The Company also economically hedges the value of MSRs by entering into a series of commitments to purchase mortgage-backed securities in the future and U.S. Treasury future contracts.

Fair Values of Derivative Instruments on the Consolidated Balance Sheets

The following tables disclose the fair value of derivative instruments in the Company's consolidated balance sheets at December 31, 2022 and 2021, as well as the effect of these derivative instruments on the Company's consolidated statements of income for the year ended December 31, 2022 and 2021. Derivative instruments and their related gains and losses are reported in other operating activities, net in the statements of cash flows.

	Notional Amounts[1]		Fair Values	
(Dollars in thousands)				
Derivatives designated as cash flow hedging instruments:	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
Interest rate swaps included in other assets	$ 10,500	$ 21,000	$ 1,043	$ (103)
Derivatives not designated as hedging instruments:				
Interest rate swaps included in other assets	$ 352,842	$ 315,188	$ 25,482	$ 10,417
Interest rate swaps included in other liabilities	345,742	327,510	(25,175)	(10,762)
Risk participation agreements included in accrued expenses and other liabilities on the consolidated balance sheets	59,738	63,374	—	(2)
Forward commitments to purchase TBA mortgage-backed securities included in other liabilities	7,000	80,000	(100)	(627)
Forward commitments to purchase treasury notes in other assets	31,500	—	—	—
Forward commitments to sell residential mortgage loans included in other assets	8,500	52,000	7	1
Interest rate-lock commitments on residential mortgage loans included in other assets	9,544	36,694	201	1,041
	$ 814,866	$ 874,766	$ 415	$ 68

(1) Notional or contractual amounts, which represent the extent of involvement in the derivatives market, are used to determine the contractual cash flows required in accordance with the terms of the agreement. These amounts are typically not exchanged, significantly exceed amounts subject to credit or market risk and are not reflected in the consolidated balance sheets.

The weighted-average rates paid and received for interest rate swaps at December 31, 2022, were as follows:

	Weighted-Average Interest Rate			
	December 31, 2022		December 31, 2021	
Interest rate swaps:	Paid	Received	Paid	Received
Cash flow hedges	4.98 %	5.72 %	4.81 %	2.89 %
Non-hedging interest rate swaps - financial institution counterparties	3.72	5.75	4.32	2.68
Non-hedging interest rate swaps - customer counterparties	5.75	3.72	2.68	4.33

Gains and losses recognized on derivative instruments not designated as hedging instruments are as follows:

(Dollars in thousands)	Years Ended December 31,		
Derivatives not designated as hedging instruments:	2022	2021	2020
Amount of (loss) gain recognized in mortgage banking revenue [1]	$ (2,813)	$ (3,118)	$ 4,081
Amount of gain (loss) recognized in other non-interest income	655	816	(307)

(1) Gains and losses on these instruments are largely offset by market fluctuations in mortgage servicing rights. See *Note 10 - Mortgage Banking* for more information on components of mortgage banking revenue.

Some interest rate swaps included in other assets were subject to a master netting arrangement with the counterparty in all periods presented and could be offset against some amounts included in interest rate swaps included in other liabilities. The Company has chosen not to net these exposures in the consolidated balance sheets, and any impact of netting these amounts would not be significant.

At December 31, 2022 and 2021, the Company had cash collateral on deposit with swap counterparties totaling $7.6 million and $16.5 million, respectively. These amounts are included in interest-bearing deposits in banks in the consolidated balance sheets and are considered restricted cash until such time as the underlying swaps are settled.

Note 14 - Stock and Incentive Compensation Plans

The Company has granted, and currently has outstanding, stock and incentive compensation awards subject to the provisions of the Company's 2012 Stock Incentive Plan (the "2012 Plan"). The 2012 Plan is designed to provide flexibility to the Company regarding its ability to motivate, attract and retain the services of key officers, employees and directors. The 2012 Plan allows the Company to make grants of incentive stock options, non-qualified stock options, stock appreciation rights, restricted stock awards ("RSA"), restricted stock units ("RSU"), dividend equivalent rights, performance stock units ("PSU") or any combination thereof. At December 31, 2022, the maximum number of shares of the Company's common stock available for issuance under the 2012 Plan was 194,020 shares.

Additionally, in April 2021, an employee stock purchase plan ("ESPP") was approved by the Company's stockholders and qualified as an ESPP under IRS guidelines. The ESPP provides for the purchase of up to an aggregate one million shares of the Company's common stock by employees, and the total number of shares available for issuance at December 31, 2022, was 973,911. Under the ESPP, employees of the Company, who elect to participate, have the right to purchase a limited number of shares of the Company's common stock at a 15% discount from the lower of the market value of the common stock at the beginning or the end of each one year offering period, beginning on June 1st. The ESPP benefit is treated as compensation to the employee, and the compensation expense will be recognized over the service period based on the fair value of the rights on the grant date, adjusted for forfeitures and certain modifications.

Under the ESPP, employees purchased 26,089 shares during the year ended December 31, 2022, and no shares of common stock were issued pursuant to the ESPP during the year ended December 31, 2021.

In February 2022, the Compensation Committee ("Committee") approved and the Company granted PSUs to select officers and employees under the 2012 Plan. Each PSU represents a right for the participant to receive shares of Company common stock or cash equal to the fair market value of such stock, as determined by the Committee. The number of PSUs to which the participant may be entitled will vary from 0% to 150% of the target number of PSUs, based on the Company’s achievement of specified performance criteria during the performance period compared to performance benchmarks adopted by the Committee and, further, the participant's continuous service with the Company through the third anniversary of the date of the grant. The performance period is the three-year period commencing on January 1, 2022, and ending on December 31, 2024 ("Performance Period").

On December 7, 2022, the Committee and the independent members of the Board also approved a special, one-time stock award to Drake Mills, the Company’s President and Chief Executive Officer (the “One-Time Award”), having an approximate value of $10,000,000, was comprised of 129,736 restricted stock units (“CEO RSUs”) and 129,735 market-based performance stock units (“CEO PSUs”), and was effective as of December 13, 2022, (the “Grant Date”). In exchange for the One-Time Award, Mr. Mills agreed to a 2-year non-competition covenant, in addition to the standard non-solicitation of customers and employees covenant included in the Company’s form of award agreement. Pursuant to the One-Time Award, the CEO RSUs shall vest in five approximately equal installments on each of the third, fourth, fifth, sixth and seventh anniversaries of the Grant Date, subject to Mr. Mills’ continued employment with the Company on each respective vesting date, or upon the earlier occurrence of Mr. Mills’ death, disability, termination of employment without cause or resignation for good reason. The CEO PSUs shall be eligible to vest based on achievement of five pre-established stock price hurdles (each, a “Stock Price Hurdle”) during a seven-year performance period (the “CEO Performance Period”). Achievement of each Stock Price Hurdle requires substantial and sustained growth in the Company’s stock price, with each Stock Price Hurdle representing a twenty percent (20%) price appreciation over the 20-day average closing price of the Company’s common stock as of the Grant Date (such that 100% appreciation is required for 100% of the CEO PSUs to vest). Each Stock Price Hurdle must be maintained for twenty consecutive days during the CEO Performance Period. Each of the five tranches of CEO PSUs will vest on the later of the date that the applicable Stock Price Hurdle is achieved (“Achieved PSUs”) or the third, fourth, fifth, sixth and seventh anniversaries of the Grant Date, respectively, subject to Mr. Mills’ continued employment with the Company on each respective vesting date, or upon the earlier occurrence of Mr. Mills’ death or disability. If Mr. Mills’ employment is terminated without cause or he resigns for good reason, then any Achieved PSUs will become fully vested and unearned CEO PSUs will remain outstanding and eligible to vest based on achievement of the Stock Price Hurdle during the CEO Performance Period. The One-Time Award was granted pursuant to, and subject to the terms and conditions of, the Origin Bancorp, Inc. 2012 Stock Incentive Plan and the Company’s form of RSU agreement and PSU agreement, respectively.

Compensation expense for the CEO PSUs will be recognized over the vesting period of the awards based on the fair value of the award at the grant date determined by using a Monte Carlo simulation model with the following inputs:

Simulation Inputs	**Year Ended December 31, 2022**
Grant date	December 13, 2022
Performance period	seven years
Stock price	$ 36.87
Expected volatility [1]	33.0 %
Risk-free rate [2]	3.5

[1] The expected volatility was determined based on the historical volatilities of the Company and the specified peer group.

[2] The risk-free interest rate for the performance period was derived from the seven-year continuous U.S. Treasury Yield constant maturity curve on the valuation date.

Share-based compensation cost charged to income for the years ended December 31, 2022, 2021, and 2020 is presented below. There was no stock option expense for any of the periods shown.

	Year Ended December 31,		
(Dollars in thousands)	**2022**	**2021**	**2020**
RSA & RSU	$ 2,845	$ 2,100	$ 2,320
PSU	288	—	—
ESPP	316	195	—
Total stock compensation expense	$ 3,449	$ 2,295	$ 2,320
Related tax benefits recognized in net income	$ 724	$ 482	$ 487

Restricted Stock and Performance Stock Grants

The Company's RSAs and RSUs are time-vested awards and are granted to the Company's Board of Directors, executives and senior management team. The service period in which time-vested awards are earned ranges from one to seven years. Time-vested awards are valued utilizing the fair value of the Company's stock at the grant date. These awards are recognized on the straight-line method over the requisite service period, with forfeitures recognized as they occur.

The Company's PSU awards, excluding the CEO PSUs, are three-year cliff-vested awards, with each unit divided into two categories ("ROAA Unit Group" and "ROAE Unit Group"), composed of an equivalent number of initial PSUs granted. The PSUs do not reflect potential increases or decreases resulting from the interim performance results until the final performance results are determined at the end of the three-year period. The ROAA Unit Group is based upon the Company's Performance Period Return on Average Assets performance, and the ROAE Unit Group is based upon the Company's Performance Period Return on Average Equity performance. The PSUs are initially valued utilizing the fair value of the Company's stock at the grant date, assuming 100% of the target number of units are achieved. Subsequent valuation of the PSUs is determined using the ratio of the actual Company's Performance Period ROAA or ROAE to the Company's targeted Performance Period ROAA or ROAE, applied to the PSUs awarded times the Company's period end stock price. Forfeitures are recognized as they occur.

The following table summarizes the Company's award activity:

	Year Ended December 31,					
	2022		2021		2020	
	Shares	Weighted Average Grant-Date Fair Value	Shares	Weighted Average Grant-Date Fair Value	Shares	Weighted Average Grant-Date Fair Value
Nonvested RSA shares, January 1,	48,048	$ 35.27	103,359	$ 31.51	149,449	$ 35.15
Granted RSA	12,840	37.39	13,460	42.26	30,638	20.14
Vested RSA	(33,497)	36.00	(67,825)	31.07	(72,325)	33.88
Forfeited RSA	—	—	(946)	24.69	(4,403)	37.11
Nonvested RSA shares, December 31,	27,391	35.37	48,048	35.27	103,359	31.51
Nonvested RSU, January 1,	73,977	$ 40.64	—	$ —	—	$ —
Granted RSU	222,282	39.43	73,977	40.64	—	—
Vested RSU	(24,028)	40.56	—	—	—	—
Forfeited RSU	(1,841)	43.48	—	—	—	—
Nonvested RSU, December 31,	270,390	39.63	73,977	40.64	—	—
Nonvested PSU, January 1,	—	$ —	—	$ —	—	$ —
Granted PSU	157,367	29.06	—	—	—	—
Adjustment due to performance	—	—	—	—	—	—
Nonvested PSU, December 31,	157,367	29.06	—	—	—	—

At December 31, 2022, there was $518,000, $9.6 million and $4.0 million of total unrecognized compensation cost related to nonvested RSA shares, RSU shares and PSU shares under the 2012 Plan, respectively. Those costs are expected to be recognized over a weighted-average period of 0.6, 4.6 and 2.8 years for RSA, RSU and PSU shares, respectively.

Stock Option Grants

The Company has previously issued common stock options to select officers and employees primarily through individual agreements. The exercise price of each option varies by agreement and is based on the fair value of the stock at the date of the grant. No outstanding stock option has a term that exceeds twenty years, and all of the outstanding options are fully vested. The Company recognized compensation cost for stock option grants over the required service period based upon the grant date fair value, which is established using a Black-Scholes valuation model. The Black-Scholes valuation model uses assumptions of risk-free interest rate, expected term of stock options, expected stock price volatility and expected dividends. Forfeitures are recognized as they occur.

In conjunction with the BTH merger, the Company assumed the BTH 2012 Equity Incentive Plan and converted all outstanding options to purchase BTH common stock into options to purchase an aggregate of 611,676 shares of the Company's common stock. Under the terms of applicable change in control provisions within the BTH 2012 Equity Incentive Plan and BTH Notice Of Stock Option Award, all BTH stock options fully vested immediately prior to the closing of the merger that occurred on August 1, 2022. BTH converted options have no expiration dates past August 16, 2031, and no further grants will be made under the BTH 2012 Equity Incentive Plan.

The table below summarizes the status of the Company's stock options and changes during the years ended December 31, 2022, 2021, and 2020.

(Dollars in thousands, except per share amounts)	Number of Shares	Weighted Average Exercise Price	Weighted Average Remaining Contractual Term (in years)	Aggregate Intrinsic Value
Year Ended December 31, 2022				
Outstanding at January 1, 2022	39,200	$ 10.73	2.28	$ 1,262
BTH options converted to OBNK options	611,676	28.62	—	8,838
Exercised	(144,785)	20.80	—	2,992
Expired	(1,654)	34.44	—	—
Outstanding and exercisable at December 31, 2022	504,437	29.46	5.13	3,736
Year Ended December 31, 2021				
Outstanding at January 1, 2021	224,000	10.86	4.92	3,789
Exercised	(184,800)	10.88	—	6,447
Outstanding and exercisable at December 31, 2021	39,200	10.73	2.28	1,262
Year Ended December 31, 2020				
Outstanding at January 1, 2020	254,000	10.55	5.81	6,932
Exercised	(30,000)	8.25	—	866
Outstanding and exercisable at December 31, 2020	224,000	10.86	4.92	3,789

Note 15 - Employee Benefit Plans

Defined Contribution Retirement Plan

The Company maintains the Origin Bancorp, Inc. Employee Retirement Plan (the "Retirement Plan") that is a defined contribution benefit plan, that allows contributions under section 401(k) of the Internal Revenue Code. The Retirement Plan covers substantially all employees who meet certain other requirements and employment classification criteria. Under the provisions of the Retirement Plan, the Company may make discretionary matching contributions on a percentage, not to exceed 6%, of a participant's elective deferrals. Any percentage(s) determined by the Company shall apply to all eligible persons for the entire plan year. Historically, the Company has matched 50% of the first 6% of eligible compensation deferred by a participant. Eligible compensation includes salaries, wages, overtime and bonuses, and excludes expense reimbursements and fringe benefits. In addition, the Company may make additional discretionary contributions out of current or accumulated net profit. Matching contributions are invested as directed by the participant. The total of the Company's contributions may not exceed limitations set forth in the Retirement Plan document or the maximum deductible under the Internal Revenue Code.

Although it has not expressed any intention to do so, the Company has the right to terminate the Retirement Plan at any time. The total expense related to the Retirement Plan, including optional contributions, was $2.4 million, $2.1 million and $2.0 million for the years ended December 31, 2022, 2021 and 2020, respectively.

Other Benefit Plans

The Company has entered into individual Supplemental Executive Retirement Plans (“SERP”) or Executive Supplemental Income Agreements (“ESIA”) with several of its executive officers. Eligibility to participate in a SERP or ESIA is limited to senior officers and determined by the Board. The SERPs and ESIA are unfunded and designed to be a nonqualified deferred compensation retirement plan in compliance with Section 409A of the Internal Revenue Code. Deferred compensation has been recorded for these plans as a component of accrued expenses and other liabilities in the accompanying consolidated balance sheets. The deferred compensation liability was $10.9 million and $10.4 million at December 31, 2022 and 2021, respectively. Typically, payments to participants reduce the accrual and any actuarial adjustments are netted with the expense. The expense recorded for the deferred compensation plan totaled $1.1 million, $1.1 million, and $1.9 million for the years ended December 31, 2022, 2021 and 2020, respectively.

On December 7, 2022, the Company's Board of Directors approved the Origin Bank Nonqualified Deferred Compensation Plan (the “DCP”), pursuant to which certain employees, including the Company’s named executive officers, may elect to participate. Pursuant to the DCP, which became effective January 1, 2023, participants may make deferral elections with respect to their base salary, bonus or stock units. The Company may make discretionary contributions to the DCP, which contributions will be subject to a vesting schedule. Unless otherwise specified by the Company, such Company contributions will have a 5-year ratable vesting schedule, subject to acceleration of vesting in the case of a change in control or the participant’s death, disability or retirement. Participants may make individual investment elections that will determine the rate of return on their cash deferral amounts under the DCP. Cash deferrals are only deemed to be invested in the investment options selected. The DCP does not provide any above-market returns or preferential earnings to participants, and, with the exception of Company contributions, the deferrals and their earnings are always 100% vested. Participants may elect at the time they make their deferral elections to receive in-service and/or separation from service distributions, either as a lump sum payment or in substantially equal annual installments over a period of 5 years or 10 years, respectively.

There was no deferred compensation liability or expense recorded pursuant to the DCP plan during the periods covered by this report.

Note 16 - Income Taxes

The provision for income taxes is as follows:

(Dollars in thousands)	Year Ended December 31,		
Federal income taxes:	**2022**	**2021**	**2020**
Current	$ 1,378	$ 17,022	$ 18,157
Deferred	18,634	6,077	(11,545)
State income taxes:			
Current	40	584	1,723
Deferred	(325)	202	(339)
Income tax expense	$ 19,727	$ 23,885	$ 7,996

A reconciliation of income tax expense at the statutory rate to the Company's actual income tax expense is below:

	Year Ended December 31,					
	2022		2021		2020	
(Dollars in thousands)	Amount	%	Amount	%	Amount	%
Income taxes computed at statutory rate	$ 22,563	21.00 %	$ 27,811	21.00 %	$ 9,314	21.00 %
Tax exempt revenue, net of nondeductible interest	(1,510)	(1.41)	(1,339)	(1.01)	(878)	(1.98)
Low-income housing tax credits, net of amortization	(832)	(0.77)	(468)	(0.35)	(511)	(1.15)
Other tax credits, net of add-backs	(1,218)	(1.13)	(1,218)	(0.92)	(1,218)	(2.75)
Bank-owned life insurance income	(145)	(0.13)	(170)	(0.13)	(259)	(0.58)
State income taxes, net of federal benefit	(201)	(0.19)	662	0.50	1,033	2.35
Stock-based compensation	17	0.02	(1,272)	(0.96)	181	0.41
Nondeductible expense	996	0.93	106	0.08	257	0.58
Other	57	0.04	(227)	(0.17)	77	0.16
Total income tax expense	$ 19,727	18.36 %	$ 23,885	18.04 %	$ 7,996	18.04 %

Significant components of deferred tax assets and liabilities are as follows:

(Dollars in thousands)	December 31,	
Deferred tax assets:	2022	2021
Credit loss allowances	$ 20,480	$ 14,565
Deferred compensation and share-based compensation	7,699	4,795
Net operating loss carryforwards	27,341	1,170
Credit carryforwards	3,678	—
Other	45	278
Investments in limited partnerships	13	—
Other real estate owned	9	—
Lease obligations	36	—
Premium/discount on acquisitions	624	—
Deferred rent obligations	594	—
Gross deferred tax assets	60,519	20,808
Valuation allowance	(899)	(974)
Deferred tax assets net of valuation allowance	$ 59,620	$ 19,834
Deferred tax liabilities:		
Basis difference in premises and equipment	$ 3,811	$ 2,461
Intangible assets	8,539	127
Mortgage servicing rights	4,499	3,504
Other	341	1,144
Gross deferred tax liabilities	17,190	7,236
Net deferred tax asset	$ 42,430	$ 12,598

At December 31, 2022, the Company had $126.5 million of Federal gross net operating net loss carryforwards and $22.8 million in gross state net operating losses carryforwards. Of these net loss carryforwards, $3.1 million in Federal gross net operating loss carryforwards acquired in previous business combinations are expiring between 2023 and 2028, and 65.4% of the $22.8 million in state net operating losses can be carried forward indefinitely with the remaining carryforwards expiring between 2028 and 2042. Due to limitations on the amounts of these losses that can be recognized annually, the Company has determined that it is more likely than not that some of these net operating loss carryforwards will expire unused, and has established a $899,000 valuation allowance related to these carryforwards.

The Company files a consolidated income tax return in the U.S. federal jurisdiction and various states. With few exceptions, the Company is no longer subject to income tax examinations by tax authorities in these taxing jurisdictions for the years before 2019.

Note 17 - Accumulated Other Comprehensive (Loss) Income

Accumulated other comprehensive income (loss) income ("AOCI") includes the after-tax change in unrealized gains and losses on AFS securities and cash flow hedging activities.

(Dollars in thousands)	Unrealized (Loss) Gain on AFS Securities	Unrealized Gain (Loss) on Cash Flow Hedges	Accumulated Other Comprehensive (Loss) Income
Balance at January 1, 2020	$ 6,412	$ (79)	$ 6,333
Net change	19,794	(478)	19,316
Balance at December 31, 2020	26,206	(557)	25,649
Net change	(20,397)	477	(19,920)
Balance at December 31, 2021	5,809	(80)	5,729
Net change	(166,509)	905	(165,604)
Balance at December 31, 2022	$ (160,700)	$ 825	$ (159,875)

Note 18 - Capital and Regulatory Matters

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

The Company is subject to the Basel III regulatory capital framework ("Basel III Capital Rules"), which includes a 2.5% capital conservation buffer. The capital conservation buffer is designed to absorb losses during periods of economic stress and requires increased capital levels for the purpose of capital distributions and other payments. Failure to meet the full amount of the buffer will result in restrictions on the Company's ability to make capital distributions, which include dividend payments, stock repurchases and to pay discretionary bonuses to executive officers.

Quantitative measures established by regulation to ensure capital adequacy require the Company and Origin to maintain minimum amounts and ratios (set forth in the table below) of total, common equity Tier 1 capital, Tier 1 capital, Tier 1 capital, and total capital (as defined in the regulations) to risk-weighted assets (as defined), and of Tier 1 capital (as defined) to average total consolidated assets (as defined). Management believes, at December 31, 2022 and 2021, that the Company and Origin met all capital adequacy requirements to which they are subject, including the capital buffer requirement.

At December 31, 2022 and 2021, Origin's capital ratios exceeded those levels necessary to be categorized as "well capitalized" under the regulatory framework for prompt corrective action. To be categorized as "well capitalized," Origin must maintain minimum total risk-based, common equity Tier 1 capital, Tier 1 risk-based and Tier 1 leverage ratios as set forth in the table below. A final rule adopted by the federal banking agencies in February 2019 provides banking organizations with the option to phase in, over a three-year period, the adverse day-one regulatory capital effects of the adoption of CECL. In addition, on March 27, 2020, the federal banking agencies issued an interim final rule that gives banking organizations that were required to implement CECL before the end of 2020 the option to delay for two years CECL’s adverse effects on regulatory capital. Origin elected to adopt CECL in the first quarter of 2020 and exercised the option to delay the estimated impact of the adoption of CECL on the Company's regulatory capital for two years (from January 2020 through December 31, 2021). The two-year delay is followed by a three-year transition period of CECL's initial impact on the Company's regulatory capital (from January 1, 2022, through December 31, 2024). The amount representing the CECL impact to the Company's regulatory capital that will be ratably transitioning back into regulatory capital over the transition period is $5.1 million and $7.6 million at December 31, 2022 and 2021, respectively.

The actual capital amounts and ratios of the Company and Origin at December 31, 2022 and 2021, are presented in the following table:

(Dollars in thousands)	Actual		Minimum Capital Required - Basel III		To be Well Capitalized Under Prompt Corrective Action Provisions	
December 31, 2022	Amount	Ratio	Amount	Ratio	Amount	Ratio
Common Equity Tier 1 Capital to Risk-Weighted Assets						
Origin Bancorp, Inc.	$ 906,859	10.93 %	$ 580,857	7.00 %	N/A	N/A
Origin Bank	952,579	11.50	579,775	7.00	$ 538,363	6.50 %
Tier 1 Capital to Risk-Weighted Assets						
Origin Bancorp, Inc.	922,584	11.12	705,327	8.50	N/A	N/A
Origin Bank	952,579	11.50	704,013	8.50	662,600	8.00
Total Capital to Risk-Weighted Assets						
Origin Bancorp, Inc.	1,180,665	14.23	871,290	10.50	N/A	N/A
Origin Bank	1,109,257	13.39	869,661	10.50	828,249	10.00
Leverage Ratio						
Origin Bancorp, Inc.	922,584	9.66	381,955	4.00	N/A	N/A
Origin Bank	952,579	9.94	383,359	4.00	479,198	5.00
December 31, 2021						
Common Equity Tier 1 Capital to Risk-Weighted Assets						
Origin Bancorp, Inc.	681,039	11.20	425,475	7.00	N/A	N/A
Origin Bank	724,440	11.97	423,819	7.00	393,546	6.50
Tier 1 Capital to Risk-Weighted Assets						
Origin Bancorp, Inc.	690,448	11.36	516,648	8.50	N/A	N/A
Origin Bank	724,440	11.97	514,637	8.50	484,365	8.00
Total Capital to Risk-Weighted Assets						
Origin Bancorp, Inc.	897,503	14.77	638,212	10.50	N/A	N/A
Origin Bank	852,825	14.09	635,727	10.50	605,454	10.00
Leverage Ratio						
Origin Bancorp, Inc.	690,448	9.20	300,195	4.00	N/A	N/A
Origin Bank	724,440	9.66	299,932	4.00	374,915	5.00

In the ordinary course of business, the Company depends on dividends from the Bank to provide funds for the payment of dividends to stockholders and to provide for other cash requirements. Banking regulations may limit the amount of dividends that may be paid. Approval by regulatory authorities is required if the effect of dividends declared would cause the regulatory capital of the Bank to fall below specified minimum levels. Approval is also required if dividends declared and paid exceed the Bank's year-to-date net income combined with the retained net income for the preceding year, which was $170.4 million at December 31, 2022.

Stock Repurchases

In July 2019, the Company's board of directors authorized a stock repurchase program pursuant to which the Company was authorized purchase up to $40 million of its outstanding common stock. The stock repurchase program was approved for a period of three years and expired in June 2022, having repurchased a total of $28.0 million of outstanding common stock. In July 2022, the Board of Directors of the Company authorized a stock repurchase program pursuant to which the Company may, from time to time, purchase up to $50 million of its outstanding common stock. The shares may be repurchased in the open market or in privately negotiated transactions from time to time, depending upon market conditions and other factors, and in accordance with applicable regulations of the Securities and Exchange Commission. The stock repurchase program is intended to expire in three years but may be terminated or amended by the Board of Directors at any time. The stock repurchase program does not obligate the Company to purchase any shares at any time.

There have been no stock repurchases during the year ended December 31, 2022.

Note 19 - Commitments and Contingencies

Credit-Related Commitments

In the ordinary course of business, the Company enters into financial instruments, such as commitments to extend credit and letters of credit, to meet the financing needs of its customers. Such instruments are not reflected in the accompanying consolidated financial statements until they are funded, although they expose the Company to varying degrees of credit risk and interest rate risk in much the same way as funded loans.

Commitments to extend credit include revolving commercial credit lines, non-revolving loan commitments issued mainly to finance the merger and development or construction of real property or equipment, and credit card and personal credit lines. The availability of funds under commercial credit lines and loan commitments generally depends on whether the borrower continues to meet credit standards established in the underlying contract and has not violated other contractual conditions. Loan commitments generally have fixed expiration dates or other termination clauses and may require payment of a fee by the borrower. Credit card and personal credit lines are generally subject to cancellation if the borrower's credit quality deteriorates. A number of commercial and personal credit lines are used only partially or, in some cases, not at all before they expire, and the total commitment amounts do not necessarily represent future cash requirements of the Company.

A substantial majority of the letters of credit are standby agreements that obligate the Company to fulfill a customer's financial commitments to a third party if the customer is unable to perform. The Company issues standby letters of credit primarily to provide credit enhancement to its customers' other commercial or public financing arrangements and to help them demonstrate financial capacity to vendors of essential goods and services.

The contract amounts of these instruments reflect the Company's exposure to credit risk. The Company undertakes the same credit evaluation in making loan commitments and assuming conditional obligations as it does for on-balance sheet instruments and may require collateral or other credit support.

The table below presents the Company's commitments to extend credit by commitment expiration date for the dates indicated:

(Dollars in thousands) **December 31, 2022**	**Less than One Year**	**One-Three Years**	**Three-Five Years**	**Greater than Five Years**	**Total**
Commitments to extend credit[1]	$ 1,093,744	$ 988,212	$ 553,069	$ 96,783	$ 2,731,808
Standby letters of credit	86,922	2,264	—	—	89,186
Total off-balance sheet commitments	$ 1,180,666	$ 990,476	$ 553,069	$ 96,783	$ 2,820,994
December 31, 2021					
Commitments to extend credit[1]	$ 643,089	$ 620,741	$ 300,863	$ 56,525	$ 1,621,218
Standby letters of credit	42,516	6,633	—	—	49,149
Total off-balance sheet commitments	$ 685,605	$ 627,374	$ 300,863	$ 56,525	$ 1,670,367

(1) Includes $594.6 million and $513.0 million of unconditionally cancellable commitments at December 31, 2022 and 2021, respectively.

At December 31, 2022, the Company held 28 unfunded letters of credit from the FHLB totaling $277.4 million, with expiration dates ranging from January 14, 2023, to September 22, 2027. At December 31, 2021, the Company held 43 unfunded letters of credit from the FHLB totaling $599.3 million, with expiration dates ranging from January 20, 2022, to March 22, 2023.

The Company has a total contingent liability of $3.1 million as of December 31, 2022, for retention bonuses and guaranteed minimum incentives. The contingent liability consists of retention bonuses totaling $1.0 million for former BTH employees, with $523,000, or 50%, due at December 31, 2023, and the remaining $523,000, or 50%, due at December 31, 2024. Additionally, the Company will pay $2.0 million, in total, in guaranteed minimum incentives to certain employees, with approximately 42% due on or about December 31, 2023, and 29% each due on or about December 31, 2024 and 2025, respectively. In all cases, continued employment through the payout date is required in order to receive the compensation.

In conjunction with the December 31, 2021, acquisitions of the Lincoln Agency, LLC and Pulley-White Insurance Agency, Inc., the Company has a total fair value contingent liability of $1.5 million and $1.4 million as of December 31, 2022 and 2021, respectively. The amount is payable if Davison Insurance Agency, LLC, the acquirer and surviving wholly-owned subsidiary of the Company, meets certain revenue growth objectives over three years. The fair value and probability of payout of this liability is reassessed annually at the fiscal year end of the Company.

Management establishes an asset-specific allowance for certain lending-related commitments and computes a formula-based allowance for performing consumer and commercial lending-related commitments. These are computed using a methodology similar to that used for the commercial loan portfolio, modified for expected maturities and probabilities of drawdown. The reserve for lending-related commitments was $4.6 million and $2.3 million at December 31, 2022 and 2021, respectively, and is included in accrued expenses and other liabilities in the accompanying consolidated balance sheets.

Loss Contingencies

From time to time, the Company is also party to various legal actions arising in the ordinary course of business. At this time, management does not expect that loss contingencies, if any, arising from any such proceedings, either individually or in the aggregate, would have a material adverse effect on the consolidated financial position or liquidity of the Company.

Note 20 - Related Party Transactions

Loans to executive officers, directors, and their affiliates at December 31, 2022 and 2021, were as follows:

(Dollars in thousands)	2022	2021
Balance, beginning of year	$ 471	$ 1,392
Advances	10,853	907
Principal repayments	(1,156)	(1,544)
Effect of changes in composition of related parties	66,058	(284)
Balance, end of year	$ 76,226	$ 471
Commitments to extend credit	$ 2,570	$ 833

None of the above loans were considered non-performing or potential problem loans. These loans were made in the ordinary course of business and on substantially the same terms, including interest rates and collateral, as those prevailing at the time for comparable transactions with other unaffiliated persons and do not involve more than normal risk of collectability.

Deposits from related parties held by the Company at December 31, 2022 and 2021, amounted to $40.0 million and $30.0 million, respectively.

Note 21 - Condensed Parent Company Only Financial Statements

Financial statements of Origin Bancorp, Inc. (parent company only) are as follows:

(Dollars in thousands)	December 31,	
Condensed Balance Sheets	**2022**	**2021**
Assets		
Cash and cash equivalents	$ 99,810	$ 28,904
Investment in affiliates/subsidiaries	995,507	774,840
Other assets	19,840	16,343
Total assets	$ 1,115,157	$ 820,087
Liabilities and Stockholders' Equity		
Short-term borrowings	$ 30,000	$ —
Subordinated indebtedness, net	132,661	88,405
Accrued expenses and other liabilities	2,553	1,471
Total liabilities	165,214	89,876
Stockholders' Equity		
Common stock	153,733	118,733
Additional paid-in capital	520,669	242,114
Retained earnings	435,416	363,635
Accumulated other comprehensive (loss) income	(159,875)	5,729
Total stockholders' equity	949,943	730,211
Total liabilities and stockholders' equity	$ 1,115,157	$ 820,087

(Dollars in thousands)	Year Ended December 31,		
Condensed Statements of Income	**2022**	**2021**	**2020**
Income:			
Dividends from subsidiaries	$ 17,500	$ 19,200	$ 17,250
Other	408	1,608	12
Total income	17,908	20,808	17,262
Expenses:			
Interest expense	5,612	4,313	1,333
Salaries and employee benefits	220	221	214
Other	4,915	1,079	1,182
Total expenses	10,747	5,613	2,729
Income before income taxes and equity in undistributed net income of subsidiaries	7,161	15,195	14,533
Income tax benefit	3,359	762	549
Income before equity in undistributed net income of subsidiaries	10,520	15,957	15,082
Equity in undistributed net income of subsidiaries	77,195	92,589	21,275
Net income	$ 87,715	$ 108,546	$ 36,357

(Dollars in thousands)	Years Ended December 31,		
Condensed Statements of Cash Flows	**2022**	**2021**	**2020**
Cash flows from operating activities:			
Net income	$ 87,715	$ 108,546	$ 36,357
Adjustments to reconcile net income to net cash provided by operating activities:			
Deferred income taxes	(2,254)	7	(1)
Equity in undistributed net income of subsidiaries	(77,195)	(92,589)	(21,275)
Amortization of subordinated indebtedness discount including purchase accounting adjustment	181	147	58
Other, net	4,805	(5,898)	3,633
Net cash (used in) provided by operating activities	13,252	10,213	18,772
Cash flows from investing activities:			
Lincoln Agency and Pulley-White acquisitions	—	(7,457)	—
BTH acquisition	44,265	—	—
Capital contributed to subsidiaries	—	—	(51,000)
Net purchases of non-marketable equity securities held in other financial institutions	—	(3,612)	—
Capital calls on limited partnership investments	(3,722)	(513)	—
Net cash provided by (used in) investing activities	40,543	(11,582)	(51,000)
Cash flows from financing activities:			
Proceeds from short-term borrowings	30,000	—	—
Dividends paid	(15,887)	(11,525)	(8,854)
Cash received on exercise of stock options	2,998	146	248
Proceeds from issuance of subordinated indebtedness	—	—	78,556
Payment to repurchase common stock	—	(1,256)	(723)
Net cash provided by (used by) financing activities	17,111	(12,635)	69,227
Net increase (decrease) in cash and cash equivalents	70,906	(14,004)	36,999
Cash and cash equivalents at beginning of year	28,904	42,908	5,909
Cash and cash equivalents at end of year	$ 99,810	$ 28,904	$ 42,908

Note 22 - Subsequent Events

During the second half of 2022, the Company entered into an agreement to sell substantially all of its GNMA mortgage servicing rights portfolio, recognized an impairment of $2.0 million, and met all final sale conditions in early 2023. The sale was completed in February 2023. The Company sold approximately $1.8 million in GNMA mortgage servicing rights, representing $453.3 million in unpaid principal balances, with no significant additional gain or loss realized, and derecognized the related GNMA repurchase asset and offsetting liability of $24.6 million.

For further information on the sale, please see *Note 10 - Mortgage Banking* in these notes to the consolidated financial statements.

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosures

None.

Item 9A. Controls and Procedures

Evaluation of disclosure controls and procedures — As of the end of the period covered by this report, an evaluation was performed by the Company, under the supervision and with the participation of its management, including its Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of its disclosure controls and procedures. In designing and evaluating the disclosure controls and procedures, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives, and management was required to apply judgment in evaluating its controls and procedures. Based on this evaluation, the Company's Chief Executive Officer and Chief Financial Officer concluded that the Company's disclosure controls and procedures (as defined in Rules 13a-15(e) or 15d-15(e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act")) were effective at the end of the period covered by this report.

Management's annual report on internal control over financial reporting — Our management is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Exchange Act Rules 13a-15(f) and 15d-15(f). At December 31, 2022, management assessed the effectiveness of our internal control over financial reporting based on the criteria for effective internal control over financial reporting established in “2013 Internal Control - Integrated Framework,” issued by the Committee of Sponsoring Organizations of the Treadway Commission. As permitted by Securities and Exchange Commission guidance, management excluded from its assessment the operations of BT Holdings, Inc., and its wholly owned subsidiary, BTH Bank, which merger, described in *Note 3 - Business Combinations* of the Consolidated Financial Statements included in Part II, Item 8 of this report, was effective August 1, 2022. The total assets acquired in the BTH merger represented approximately 19.1% of the Company's total consolidated assets as of December 31, 2022. Based on the assessment, management determined that we maintained effective internal control over financial reporting at December 31, 2022, based on the specified criteria. The effectiveness of our internal control over financial reporting at December 31, 2022, has been audited by FORVIS, an independent registered public accounting firm, as stated in its report, which is included in Part II, Item 8 of this report.

Changes in internal control over financial reporting — There were no changes in the Company's internal control over financial reporting (as such term is defined in Rules 13a-15(e) and 15d-15(f) under the Exchange Act) during the year ended December 31, 2022, that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

Limitations on the Effectiveness of Disclosure Controls and Procedures — Our management, including our Chief Executive Officer and Chief Financial Officer, do not expect that our disclosure controls and procedures or internal control over financial reporting will prevent all errors and all fraud. A control system, no matter how well designed and implemented, can provide only reasonable, not absolute, assurance that the control system’s objectives will be met. Further, the design of a control system must reflect the fact that there are resource constraints and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues within a company are detected.

Report of Independent Registered Public Accounting Firm

To the Shareholders, Board of Directors and Audit Committee
Origin Bancorp, Inc.
Ruston, Louisiana

Opinion on the Internal Control over Financial Reporting

We have audited Origin Bancorp, Inc.'s (the "Company") internal control over financial reporting as of December 31, 2022, based on criteria established in *Internal Control – Integrated Framework: (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2022, based on criteria established in *Internal Control – Integrated Framework: (2013)* issued by COSO.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) ("PCAOB"), the consolidated financial statements of the Company as of December 31, 2022 and 2021, and for each of the years in the three-year period ended December 31, 2022, and our report dated February 22, 2023, expressed an unqualified opinion on those consolidated financial statements.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying *Management's Annual Report on Internal Control over Financial Reporting*. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit.

We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audit also included performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

As described in *Management's Annual Report on Internal Control over Financial Reporting*, the scope of management's assessment of internal control over financial reporting as of December 31, 2022, has excluded BT Holdings, Inc. acquired on August 1, 2022. We have also excluded BT Holdings, Inc. from the scope of our audit of internal control over financial reporting. BT Holdings, Inc. represented 10.02 percent of consolidated revenues for the year ended December 31, 2022, and 14.35 percent of consolidated total assets as of December 31, 2022.

Definitions and Limitations of Internal Control over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of reliable financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions or that the degree of compliance with the policies or procedures may deteriorate.

FORVIS, LLP (Formerly BKD, LLP)
Little Rock, Arkansas
February 22, 2023

Item 9B. Other Information

None.

PART III

Item 10. Directors, Executive Officers and Corporate Governance

The information required by this Item is incorporated herein by reference to our Proxy Statement (Schedule 14A) for our 2023 Annual Meeting of Stockholders to be filed with the SEC within 120 days of our fiscal year end.

Item 11. Executive Compensation

The information required by this Item is incorporated herein by reference to our Proxy Statement (Schedule 14A) for our 2023 Annual Meeting of Stockholders to be filed with the SEC within 120 days of our fiscal year end.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

With the exception of the equity compensation plan information provided below, the information required by this Item is incorporated herein by reference to our Proxy Statement (Schedule 14A) for our 2023 Annual Meeting of Stockholders to be filed with the SEC within 120 days of our fiscal year end.

Information regarding stock-based compensation awards outstanding and available for future grants at December 31, 2022, is presented in the table below. Additional information regarding stock-based compensation plans is presented in *Note 14 - Stock and Incentive Compensation Plans* to our consolidated financial statements contained in Item 8 of this report.

	Number of Securities to be Issued upon Exercise of Outstanding Options[1]	Weighted Average Exercise Price	Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans
2012 Stock Incentive Plan	—	$ —	194,020
Issued prior to establishment of the 2012 Stock Incentive Plan	14,400	13.31	—
BTH 2012 Equity Incentive Plan	490,037	29.93	490,037
Total	504,437	28.18	684,057

[1] Includes any compensation plan and individual compensation arrangement of the Company under which equity securities of the Company are authorized for issuance.

Certain information regarding securities authorized for issuance under our equity compensation plans is included under the section captioned "Stock-Based Compensation Plans" in Part II, Item 5, elsewhere in this report.

We know of no arrangements, including any pledge by any person of our securities, the operation of which may at a subsequent date result in a change in control of the Company.

Further information regarding security ownership of our 5% stockholders and our directors, director nominees and executive officers required by this Item is incorporated herein by reference to our Proxy Statement (Schedule 14A) for our 2023 Annual Meeting of Stockholders to be filed with the SEC within 120 days of our fiscal year end.

Item 13. Certain Relationships and Related Transactions, and Director Independence

The information required by this Item is incorporated herein by reference to our Proxy Statement (Schedule 14A) for our 2023 Annual Meeting of Stockholders to be filed with the SEC within 120 days of our fiscal year end.

Item 14. Principal Accounting Fees and Services

The information required by this Item is incorporated herein by reference to our Proxy Statement (Schedule 14A) for our 2023 Annual Meeting of Stockholders to be filed with the SEC within 120 days of our fiscal year end.

PART IV

Item 15. Exhibits, Financial Statement Schedules

(a) Documents filed as part of this Report:

(1) Financial Statements: Reference is made to the information set forth in Part II, Item 8 of this Annual Report on Form 10-K, which information is incorporated herein by reference.

(2) Financial Statement Schedules: All financial statement schedules are omitted because they are either not applicable or not required, or because the required information is included in the consolidated financial statements or the notes thereto is included in Part II, Item 8 of this Annual Report on Form 10-K.

(3) Exhibits: See (b) below.

(b) Exhibits:

Exhibit Number	Description
2.1	Agreement and Plan of Merger by and between Origin Bancorp, Inc. and BT Holdings, Inc. dated February 23, 2022 (incorporated by reference to Exhibit 2.1 to the Company's Form 8-K filed February 24, 2022 (File No. 001-38487))
3.1	Amended and Restated Articles of Incorporation, incorporated by reference to Exhibit 3.1 to the Company's 10-Q filed for the quarter ended September 30, 2021 (File No. 001-38487)
3.2	Bylaws, incorporated by reference to Exhibit 3.2 to the Company's 10-Q filed for the quarter ended September 30, 2021 (File No. 001-38487)
4.1	Specimen common stock certificate, incorporated by reference to Exhibit 4.1 to the Company's Registration Statement on Form S-1 filed April 10, 2018 (File No. 333-224225)
4.2	Subordinated Indenture, dated as of October 16, 2020, by and between Origin Bancorp, Inc. and U.S. Bank National Association, as trustee, incorporated by reference to Exhibit 4.1 to the Company’s Form 8-K filed on October, 16, 2020 (File No. 001-38487)
4.3	First Supplemental Indenture, dated as of October 16, 2020, by and between Origin Bancorp, Inc. and U.S. Bank National Association, as trustee, incorporated by reference to Exhibit 4.2 to the Company’s Form 8-K filed on October, 16, 2020 (File No. 001-38487)
4.4	Description of Common Stock, incorporated by reference to Exhibit 4.3 to the Company’s 10-K for the year ended December 31, 2019 (File No. 001-38487)
10.1 *	Origin Bancorp, Inc. 2012 Stock Incentive Plan incorporated by reference to Exhibit 10.1 to the Company's 10-Q filed for the quarter ended March 31, 2021 (File No. 001-38487)
10.2 *	Form of Restricted Stock Award Agreement under the Origin Bancorp, Inc. 2012 Stock Incentive Plan, incorporated by reference to Exhibit 10.1 to the Company's Form 8-K filed August 28, 2018 (File No. 001-38487)
10.3 *	Form of Stock Option Award Agreement under the Community Trust Financial Corporation 2012 Stock Incentive Plan, incorporated by reference to Exhibit 10.3 of the Registrant's Registration Statement on Form S-1 filed April 10, 2018 (File No. 333-224225)
10.4 *	Community Trust Financial Corporation Employee Stock Ownership Plan and Trust Agreement, dated January 1, 2014, as amended, incorporated by reference to Exhibit 10.4 of Amendment No. 2 to the Registrant's Registration Statement on Form S-1 filed April 27, 2018 (File No. 333-224225)
10.5 *	2020 Restated Employment Agreement, dated February 27, 2020, by and between Origin Bancorp, Inc. and Drake Mills, incorporated by reference to Exhibit 10.5 to the Company’s 10-K for the year ended December 31, 2019 (File No. 001-38487)
10.6 *	Amended and Restated Executive Salary Continuation Plan, effective May 1, 2008, between Community Trust Bank and Drake Mills, incorporated by reference to Exhibit 10.1 to the Company’s 10-Q for the quarter ended March 31, 2019 (File No. 001-38487)
10.7 *	Executive Deferred Compensation Agreement, dated March 30, 2001, by and between Community Trust Bank and Drake Mills, incorporated by reference to Exhibit 10.12 to Amendment No. 1 to the Company's Registration Statement on Form S-1 filed April 19, 2018 (File No. 333-224225)
10.8 *	Amended and Restated Life Insurance Endorsement Method Split Dollar Plan Agreement, dated April 25, 2018, by and among New York Life Insurance Company, Origin Bank and Drake Mills, incorporated by reference to Exhibit 10.13 to Amendment No. 2 to the Company's Registration Statement on Form S-1 filed April 27, 2018 (File No. 333-224225)

Exhibit Number	Description
10.9 *	Amended and Restated Life Insurance Endorsement Method Split Dollar Plan Agreement, dated April 26, 2018, by and among Great-West Life & Annuity Insurance Company, Origin Bank and Drake Mills, incorporated by reference to Exhibit 10.14 to Amendment No. 2 to the Company's Registration Statement on Form S-1 filed April 27, 2018 (File No. 333-224225)
10.10 *	Amended and Restated Endorsement Split Dollar Life Insurance Agreement, dated February 27, 2020, by and between Origin Bank and Drake Mills, incorporated by reference to Exhibit 10.10 to the Company's 10-K for the year ended December 31, 2019 (File No. 001-38487)
10.11 *	2020 Restated Employment Agreement, dated February 27, 2020, by and between Origin Bancorp, Inc. and M. Lance Hall, incorporated by reference to Exhibit 10.11 to the Company's 10-K for the year ended December 31, 2019 (File No. 001-38487)
10.12 *	§409A Amended & Restated Executive Salary Continuation Agreement, dated December 13, 2008, by and between Community Trust Bank and M. Lance Hall, incorporated by reference to Exhibit 10.11 to Amendment No. 1 to the Company's Registration Statement on Form S-1 filed April 19, 2018 (File No. 333-224225)
10.13 *	Life Insurance Endorsement Method Split Dollar Plan Agreement, dated September 4, 2002, by and between Community Trust Bank and M. Lance Hall, incorporated by reference to Exhibit 10.15 to Amendment No. 1 to the Company's Registration Statement on Form S-1 filed April 19, 2018 (File No. 333-224225)
10.14 *	Amendment to the Life Insurance Endorsement Split Dollar Plan Agreement, dated December 8, 2008, by and between Community Trust Bank and M. Lance Hall, incorporated by reference to Exhibit 10.16 to Amendment No. 1 to the Company's Registration Statement on Form S-1 filed April 19, 2018 (File No. 333-224225)
10.15 *	Amendment to the Life Insurance Endorsement Method Split Dollar Plan Agreement, dated December 18, 2009, by and between Community Trust Bank and M. Lance Hall, incorporated by reference to Exhibit 10.17 of Amendment No. 1 to the Company's Registration Statement on Form S-1 filed April 19, 2018 (File No. 333-224225)
10.16 *	Executive Supplemental Income Agreement, dated October 29, 2019, by and between Origin Bank and M. Lance Hall, incorporated by reference to Exhibit 10.1 to the Company's Form 8-K filed October 31, 2019 (File No. 001-38487)
10.17 *	Endorsement Split Dollar Life Insurance Agreement, dated October 29, 2019, by and between Origin Bank and M. Lance Hall, incorporated by reference to Exhibit 10.3 to the Company's Form 8-K filed October 31, 2019 (File No. 001-38487)
10.18 *	Supplemental Executive Retirement Plan, dated August 17, 2018, by and between Origin Bank and Stephen H. Brolly, incorporated by reference to Exhibit 10.1 to the Company's Form 8-K filed August 21, 2018 (File No. 001-38487)
10.19 *	Endorsement Split Dollar Life Insurance Agreement, dated August 17, 2018, by and between Origin Bank and Stephen H. Brolly, incorporated by reference to Exhibit 10.2 to the Company's Form 8-K filed August 21, 2018 (File No. 001-38487)
10.20	Loan Agreement, dated as of October 5, 2018, by and between Origin Bancorp, Inc. and NexBank SSB, incorporated by reference to Exhibit 10.1 to the Company's Form 8-K filed October 11, 2018 (File No. 001-38487)
10.21	Revolving Promissory Note issued to NexBank SSB on October 5, 2018, incorporated by reference to Exhibit 10.2 to the Company's Form 8-K filed October 11, 2018 (File No. 001-38487)
10.22	Pledge and Security Agreement, dated as of October 5, 2018, by and between Origin Bancorp, Inc. and NexBank SSB, incorporated by reference to Exhibit 10.3 to the Company's Form 8-K filed October 11, 2018 (File No. 001-38487)
10.23	Fiscal and Paying Agency Agreement, dated as of February 6, 2020, by and between Origin Bank and U.S. Bank National Association, as Fiscal and Paying Agent, incorporated by reference to Exhibit 4.1 to the Company's Form 8-K filed February 6, 2020 (File No. 001-38487)
10.24	Form of Subordinated Note Purchase Agreement, dated as of February 6, 2020, by and among Origin Bank and the several Purchasers, incorporated by reference to Exhibit 10.1 to the Company's Form 8-K filed February 6, 2020 (File No. 001-38487)
10.25 *	Change in Control Agreement, dated March 28, 2018, among Origin Bank, Origin Bancorp, Inc. and Preston Moore incorporated by reference to Exhibit 10.31 to the Company's 10-K for the year ended December 31, 2020 (file No. 001-38487)
10.26	First Amendment to Loan Agreement, dated as of October 5, 2021, by and between Origin Bancorp, Inc. and NexBank, SSB, incorporated by reference to Exhibit 10.27 to the Company's Form 10-K filed for year ended December 31, 2021, (File No. 001-38487)
10.27	Second Amendment to Loan Agreement, dated as of October 29, 2021, by and between Origin Bancorp, Inc. and NexBank, SSB, incorporated by reference to Exhibit 10.28 to the Company's Form 10-K filed for year ended December 31, 2021, (File No. 001-38487)

Exhibit Number	Description
10.28 *	Change in Control Agreement, dated June 14, 2018, among Origin Bank, Origin Bancorp, Inc. and Jimmy R. Crotwell, incorporated by reference to Exhibit 10.29 to the Company's Form 10-K filed for year ended December 31, 2021, (File No. 001-38487)
10.29 *	Form of Performance Stock Unit Agreement under the Origin Bancorp, Inc. 2012 Stock Incentive Plan
10.30 *	Form of Restricted Stock Unit Agreement under the Origin Bancorp, Inc. 2012 Stock Incentive Plan
10.31 *	Change in Control Agreement, dated February 22, 2022, among Origin Bank, Origin Bancorp, Inc. and Derek McGee
10.32 *	Termination of Change in Control Agreement, dated August 8, 2022, among Origin Bancorp, Inc., Origin Bank and Stephen Brolly
10.33 *	Change in Control Agreement, dated July 27, 2022, among Origin Bank, Origin Bancorp, Inc. and William Wallace (incorporated by reference to Exhibit 99.5 to the Company's Form 8-K filed July 27, 2022 (File No. 001-38487)
10.34 *	Employment Agreement between Origin Bancorp, Inc., and Stephen Brolly, dated August 8, 2022 (incorporated by reference to Exhibit 99.4 to the Company's Form 8-K filed July 27, 2022 (File No. 001-38487)
10.35 *	Amendment to Employment Agreement, dated May 24, 2022, among BTH Bank, N.A, BT Holdings, Inc, and Lori Sirman
10.36 *	Amendment to Employment Agreement, dated May 27, 2022, among BTH Bank, N.A, BT Holdings, Inc, and Jay Dyer
10.37 *	Origin Bancorp, Inc., Origin Bank Nonqualified Deferred Compensation Plan, dated December 8, 2022
10.38 *	Origin Bancorp, Inc., Origin Bank Long Term Equity Deferred Compensation Plan, dated December 8, 2022
10.39 *	Form of Incentive Agreement for Performance Unit Award under the Origin Bancorp, Inc. 2012 Stock Incentive Plan, dated December 13, 2022, by and between Origin Bancorp, Inc. and Drake Mills
10.40 *	Form of Incentive Agreement for Restricted Stock Unit Award under the Origin Bancorp, Inc. 2012 Stock Incentive Plan, dated December 13, 2022, by and between Origin Bancorp, Inc. and Drake Mills
21	Subsidiaries of the Registrant
23	Consent of Independent Registered Public Accounting Firm
31.1	Certification by Chief Executive Officer pursuant to Rule 13a-14(a) and Rule 15d-14(a), as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2	Certification by Chief Financial Officer pursuant to Rule 13a-14(a) and Rule 15d-14(a), as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.1	Certification by Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
32.2	Certification by Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
101	The following financial information from Origin Bancorp, Inc. Annual Report on Form 10-K for the year ended December 31, 2021, is formatted in Inline XBRL: (i) the Consolidated Balance Sheets, (ii) the Consolidated Statements of Income, (iii) the Consolidated Statements of Changes in Stockholders' Equity and Comprehensive Income, (iv) the Consolidated Statements of Cash Flows, and (v) the Condensed Notes to Consolidated Financial Statements
101.INS	Inline XBRL Instance Document
101.SCH	Inline XBRL Taxonomy Extension Schema Document
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104	Cover Page Interactive Data File (formatted in Inline XBRL and contained in Exhibit 101)

* Management contract or compensatory plan or arrangement.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Exchange Act, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Origin Bancorp, Inc.

(Registrant)

Date: February 22, 2023	By:	**/s/ Drake Mills**
		Drake Mills
		Chairman, President and Chief Executive Officer (*Principal Executive Officer*)

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Table of Contents

Signature	Date
/s/ Drake Mills **Drake Mills, Chairman, President and Chief Executive Officer (Principal Executive Officer)**	February 22, 2(
/s/ William J. Wallace, IV **William J. Wallace, IV, Chief Financial Officer/Senior Executive Officer (Principal Financial Officer)**	February 22, 2(
/s/ Stephen H. Brolly **Stephen H. Brolly, Chief Accounting Officer/Senior Executive Officer (Principal Accounting Officer)**	February 22, 2(
/s/ Daniel Chu **Daniel Chu, Director**	February 22, 2(
/s/ James S. D'Agostino **James S. D'Agostino, Director**	February 22, 2(
/s/ James E. Davison, Jr. **James E. Davison, Jr., Director**	February 22, 2(
/s/ Jay Dyer **Jay Dyer, Director**	February 22, 2(
/s/ A. La'Verne Edney **A. La'Verne Edney, Director**	February 22, 2(
/s/ Meryl Farr **Meryl Farr, Director**	February 22, 2(
/s/ Richard Gallot, Jr. **Richard Gallot, Jr., Director**	February 22, 2(
/s/ Stacey W. Goff **Stacey W. Goff, Director**	February 22, 2(
/s/ Michael A. Jones **Michael A. Jones, Director**	February 22, 2(
/s/ Gary E. Luffey **Gary E. Luffey, Director**	February 22, 2(
/s/ Farrell J. Malone **Farrell J. Malone, Director**	February 22, 2(
/s/ Lori Sirman **Lori Sirman, Director**	February 22, 2(
/s/ Elizabeth E. Solender **Elizabeth E. Solender, Director**	February 22, 2(
/s/ Steven Taylor **Steven Taylor, Director**	February 22, 2(

ORIGIN BANCORP, INC.
2012 STOCK INCENTIVE PLAN
(as amended and restated effective January 1, 2017)

Incentive Agreement
for Performance Unit Award

(Performance-Based Vesting)

This Incentive Agreement for Performance Unit Award (the “Agreement”) is made this [________________] (the “Date of Grant”) by and between Origin Bancorp, Inc. (the “Company”) and [___________________] (the “Grantee”) pursuant to the Origin Bancorp, Inc. 2012 Stock Incentive Plan, as amended and restated effective January 1, 2017 (the “Plan”).

WITNESSETH:

WHEREAS, Grantee is employed by the Company in the position of [___________________]; and

WHEREAS, in order to incentivize Grantee to exert substantial efforts to maximize the success of the Company, the Board of Directors desires to grant an award to the Grantee under the Plan upon the conditions and terms contained within this Agreement (the “Award”).

NOW, THEREFORE, the Company and Grantee agree as follows:

ARTICLE I.
PERFORMANCE UNITS

1.1 Grant of Performance Units. The Company hereby grants to Grantee a target number of [____________________] Performance Units (the “Target Number of Performance Units), subject to the terms and conditions provided in this Agreement. Each Performance Unit shall represent a right for the Grantee to receive one (1) share of Stock or cash equal to the Fair Market Value thereof, as determined by the Committee, in its sole discretion, as of the applicable Conversion Date. The “Performance Period” shall mean the period during which the performance criteria and conditions described on Exhibit B (the “Performance Criteria”) will be measured. The Performance Units shall remain unvested during the Performance Period.

1.2 Issue Price. The Grantee shall not be required to pay any issue price to the Company in exchange for the Performance Units granted hereunder or, as applicable, upon the issuance of shares of Stock hereunder.

1.3 Distributions and Voting Rights.

(a) All dividends and other distributions with respect to shares of Stock attributable to the Award that become payable during the Performance Period will accrue when declared and will be paid to the Grantee, in cash, only upon the settlement of the related Performance Units in accordance with the provisions of Section 1.4 below.

(b) The Grantee shall not be entitled to vote shares of Stock attributable to the Award prior to the date(s) on which the Grantee becomes a shareholder of record for such shares of Stock.

1.4 Settlement of Award.

(a) Upon settlement, the Company shall deliver to the Grantee shares of Stock equal to the number of vested Performance Units or cash equal to the Fair Market Value of such shares, or a combination thereof, as determined by the Company in its sole and absolute discretion. The date that the shares and/or cash are delivered shall be the “Settlement Date” of the vested Performance Units. No fractional Shares shall be issued to Grantee.

(b) To the extent shares of Stock are issued in settlement of this Award, such shares shall be registered in the name of the Grantee and shall be held by Transfer Agent of the Company in an unrestricted shareholder account CTF1. The Company shall direct the Transfer Agent to provide a shareholder statement to the Grantee evidencing outright ownership to the Grantee (or the Grantee’s beneficiary in the event of the Grantee’s death, designated as provided in Section 4.8).

1.5 Vesting. The number of Performance Units eligible to vest (if any) will be determined based on the Company’s achievement of the Performance Criteria during the Performance Period, which shall be certified by the Committee as soon as practicable following the end of the Performance Period but no later than March 15 of the year following the end of the Performance Period (such certification date, the “Conversion Date’). Subject to Section 1.7, the Performance Units will vest on the Conversion Date based on the Company’s achievement of the Performance Criteria during the Performance Period and, except as otherwise provided herein, subject to Grantee’s continued employment on the Conversion Date. The number of Performance Units that may vest ranges from zero percent (0%) to one hundred fifty percent (150%) of the Target Number of Performance Units, depending on actual performance during the Performance Period. In the event any Performance Units have not vested on the Conversion Date, such Performance Units will thereupon be forfeited without consideration payable by the Company and the Grantee will have no further rights with respect thereto.

1.6 Termination of Employment.

(a) Subject to Section 1.7 and Article III hereto, in the event of Grantee’s (i) death, (ii) Disability, (iii) Termination of Employment without Cause or (iv) Qualified Retirement (each, a “Qualified Termination”) during the Performance Period but prior to the last day of the Performance Period, then Grantee or, as the case may be, Grantee’s estate, will retain a portion of the Performance Units determined by multiplying the total number of Performance Units granted under this Agreement by a fraction, the numerator of which is the number of days elapsed from the commencement of the Performance Period through the date of Grantee’s Termination of Employment, and the denominator of which is the number of days in the Performance Period (the “Retained Award”), and the remainder of the Performance Units will be forfeited and canceled as of the date of Grantee’s Termination of Employment. The Retained Award may be earned, in whole, in part, or not at all, to the extent that the Performance Objectives are attained, as provided on Exhibit B attached hereto, and will vest on the Conversion Date.

(b) For purposes of this Agreement, (i) the term “Qualified Retirement” means the Grantee’s voluntary Termination of Employment upon six (6) months’ prior written notice to the Company on or after attaining age sixty-five (65), and (ii) the term “Cause” shall have the meaning assigned such term in the employment, severance or similar agreement, if any, between the Grantee and the Company, provided, however that if there is no such employment, severance or similar agreement in which such term is defined, then “Cause” shall have the meaning assigned such term in the Plan.

1.7 Forfeiture of Award. In addition to events of forfeiture described in Article III, in the event of Grantee’s Termination of Employment prior to the Conversion Date for any reason other than a Qualified Termination, this Award shall be forfeited in its entirety. Upon forfeiture, all rights of the Grantee and obligations of the Company hereunder shall be immediately terminated.

ARTICLE II.
CHANGE IN CONTROL OF THE COMPANY

If the Company is not the surviving corporation following a Change in Control, and the surviving corporation following such Change in Control or the acquiring corporation (such surviving corporation or acquiring corporation is hereinafter referred to as the “Acquiror”) does not assume the outstanding Award granted hereunder or does not substitute equivalent equity awards relating to the securities of such Acquiror or its affiliates for such Performance Units, then the Award shall become immediately and fully vested on the date of such Change in Control with respect to 100% of the Target Number of Performance Units. In addition, the Board of Directors or its designee may, in its sole discretion, provide for a cash payment to be made to the Grantee for the outstanding Award upon the consummation of the Change in Control, determined on the basis of the Fair Market Value that would be received in such Change in Control by the holders of the Company's securities relating to such shares of Stock.

If the Company is the surviving corporation following a Change in Control, or the Acquiror assumes the outstanding Award granted hereunder or substitutes equivalent equity awards relating to the securities of such Acquiror or its affiliates for such Performance Units, then the Award or such substitutes therefor shall remain outstanding and be governed by their respective terms and the provisions of the Plan, provided, however, that such Award shall, subject to Section 1.7 hereof, become immediately and fully vested on the last day of the Performance Period with respect to 100% of the Target Number of Performance Units without regard to the performance of the Company or the Acquirer following the Change in Control. Notwithstanding the foregoing, if Participant’s Performance Units are assumed or substituted in connection with a Change in Control, the Target Number of Performance Units will become immediately 100% vested in the event of a termination without Cause within twelve (12) months following the Change in Control.

ARTICLE III.
<u>GRANTEE'S COVENANTS</u>

3.1 Confidentiality. The Grantee understands and acknowledges that (i) during the Grantee's employment with the Company or any Affiliate thereof, the Grantee will have access to Confidential Information of the Company and its Affiliates; (ii) such Confidential Information and the ability of the Company and its Affiliates to reserve such Confidential Information for their respective and exclusive knowledge and use is of great competitive importance and commercial value to the Company and its Affiliates; (iii) the Company has taken and will continue to take actions to protect the Confidential Information; and (iv) the provisions of this Section are reasonable and necessary to prevent the improper use or disclosure of such Confidential Information. Accordingly, the Grantee agrees that during the term of the Grantee's employment with the Company or any Affiliate thereof and, following the termination of such employment, until such time as the Confidential Information becomes generally available to the public through no fault of the Grantee or other person under a duty of confidentiality to the Company thereof, the Grantee will not, except as required by law or legal process, in any capacity, use or disclose, or cause to be used or disclosed, any Confidential Information the Grantee acquired while employed by the Company or any Affiliate thereof. For purposes of this Agreement, the term "Confidential Information" shall include, without limitation, the identity of customers, personal customer data, strategic plans, sales data and sales strategy, methods, products, procedures, processes, techniques, financial information, vendor and supplier lists, pricing policies, personnel data and other confidential, business, competitive and proprietary information concerning or related to the Company and/or its Affiliates and their respective businesses, operations, financial conditions, results of operations, competitive position and prospects (collectively "Confidential Information"). The parties hereto agree that nothing in this Agreement shall be construed to limit or negate the law of torts or trade secrets where it provides the Company with broader protection than that provided herein.

3.2 Return of Company Property. The parties hereto acknowledge that any material (in computerized or written form) that the Grantee obtains in the course of performing the Grantee's employment duties with the Company or any Affiliate are the sole and exclusive property of the Company, the Grantee agrees to immediately return any and all records, files, computerized data, documents, Confidential Information, or any other property owned or belonging to the Company in the Grantee's possession or under the Grantee's control, without any originals or copies being kept by the Grantee or conveyed to any other person, upon the Grantee's separation from employment or upon the Company's request.

3.3 Non-Solicitation of Customers/Employees. The Grantee agrees that during Grantee's employment by the Company or any Affiliate thereof and for a period of one (1) year thereafter, the Grantee will not directly, or indirectly, on behalf of himself or any other person, entity or enterprise, do any of the following:

(i) Divert or attempt to divert from the Company or any Affiliate thereof any business by influencing or attempting to influence or soliciting or attempting to solicit any customers of the Company or any Affiliate thereof or any particular customer with whom the Company or any Affiliate thereof had business contacts in the one-year period immediately preceding the Grantee’s termination or with whom the Grantee may have dealt at any time during the Grantee’s employment by the Company or an Affiliate thereof. The provisions of this item (i) shall apply in the parishes and counties listed in the Exhibit “A” attached hereto and made a part hereof, as the same may be amended from time to time. The parties agree that Exhibit A may be amended from time to time by the Company, which amendments shall be presented to the Grantee in writing and shall be deemed accepted by the Grantee if the Grantee remains employed by the Company on the third (3rd) business day following receipt of any such amendment.

(ii) Without the prior written consent of the Company, recruit, solicit, hire, attempt to hire, or assist any other person to hire any employee of the Company or an Affiliate thereof or any person who was an employee of the Company or any Affiliate during the six (6) months immediately preceding the Grantee’s Termination of Employment.

(iii) Otherwise assist any person in any way to do, or attempt to do, anything prohibited by the foregoing.

3.4 Remedies. Notwithstanding any other provision of this Agreement, if the Company determines that the Grantee has breached or threatened to breach any provision of this Article III, then, upon written notice of the Company and without consideration, any Performance Units whether or not vested shall be immediately forfeited, the shares and cash (including proceeds received upon a sale of the shares) issued to the Participant shall be subject to recoupment and any and all rights to receive any remaining benefits under this Agreement shall be immediately cancelled. In addition, the Company shall be entitled to injunctive and other equitable relief (without the necessity of showing actual monetary damages or of posting any bond or other security): (i) restraining and enjoining any act which would constitute a breach, or (ii) compelling the performance of any obligation which, if not performed, would constitute a breach, as well as any other remedies available to the Company, including monetary damages. Upon the Company’s request, the Grantee shall provide reasonable assurances and evidence of compliance with the restrictive covenants set forth in this Article III. If any court of competent jurisdiction shall deem any provision in this Article III too restrictive, the other provisions shall stand, and the court shall modify the unduly restrictive provision to the point of greatest restriction permissible by law. The restrictive covenants set forth in this Article III shall survive the termination of this Agreement, the forfeiture of the Award, and the Grantee’s Termination of Employment with the Company and all Affiliates for any reason, and the Grantee shall continue to be bound by the terms of this Article III as if this Agreement was still in effect.

ARTICLE IV.
MISCELLANEOUS PROVISIONS

4.1 Adjustments Upon Changes in Stock. In case of any reorganization, recapitalization, reclassification, stock split, stock dividend, distribution, combination of shares, merger, consolidation, rights offering, or any other changes in the corporate structure or shares of the Company, appropriate adjustments may be made by the Committee or the Board of Directors, as the case may be, (or if the Company is not the surviving corporation in any such transaction, the board of directors of the surviving corporation) in the aggregate number and kind of shares subject to the Plan, and the number and kind of shares subject to this Award. Appropriate adjustments may also be made by the Committee or the Board of Directors, as the case may be, in the terms of any Awards under the Plan, subject to the provisions of the Plan, to reflect such changes and to modify any other terms of outstanding Awards on an equitable basis. Any such adjustments made by the Committee or the Board of Directors Performance pursuant to this Section shall be conclusive and binding for all purposes under the Plan.

4.2 Amendment, Suspension, and Termination of Plan.

(a) The Board of Directors may suspend or terminate the Plan or any portion thereof at any time, and, subject to limitations contained therein and, subject to shareholder approval if required, may amend the Plan from time to time in such respects as the Board of Directors may deem advisable in order that any awards thereunder shall conform to any change in applicable laws or regulations or in any other respect the Board of Directors may deem to be in the best interests of the Company; provided, however, that no such amendment, suspension, or termination shall adversely alter or impair the Award granted hereunder without the consent of the Grantee.

(b) The Committee may amend or modify the Award granted hereunder in any manner to the extent that the Committee would have had the authority under the Plan initially to grant the Award as so modified or amended; however, no such amendment or modification shall adversely alter or impair the Award granted hereunder without the consent of the Grantee.

(c) Notwithstanding the foregoing, the Plan and the Agreement may be amended without any additional consideration to the Grantee to the extent necessary to comply with, or avoid penalties under, Section 409A of the Code, even if those amendments reduce, restrict or eliminate rights granted prior to such amendments.

4.3 No Right To Employment/Other Service. None of the actions of the Company in establishing the Plan, the actions taken by the Company, the Board of Directors or the Committee under the Plan, or the granting of the Award pursuant to this Agreement shall be deemed (a) to create any obligation on the part of the Company or any Affiliate or on the Board of Directors of the Company or such Affiliate to retain the Grantee as an employee, consultant, director or other service provider or to nominate Grantee for election to the Board of Directors, or (b) to be evidence of any agreement or understanding, express or implied, that the person has a right to continue as an employee, consultant, other service provider, or non-employee director for any period of time or at any particular rate of compensation.

4.4 Plan and Grant Document Control. The grant of the Award hereunder is governed and controlled by the terms of the Plan and this Agreement. All the provisions of the Plan, as such may be amended from time to time, are hereby incorporated into this Agreement by this reference. All capitalized terms utilized in this Agreement shall have the same meaning as in the Plan, except as otherwise specifically provided herein.

4.5 Governing Law. All matters relating to the Plan or to awards granted under the Plan pursuant to this Agreement shall be governed by and construed in accordance with the laws of the State of Louisiana without regard to the principles of conflict of laws.

4.6 Trust Arrangement. All benefits under the Plan represent an unsecured promise to pay by the Company. The Plan shall be unfunded and the benefits hereunder shall be paid only from the general assets of the Company resulting in the Grantee having no greater rights than the Company's general creditors; provided, however, nothing herein shall prevent or prohibit the Company from establishing a trust or other arrangement for the purpose of providing for the payment of the benefits payable under the Plan.

4.7 No Impact on Benefits. The Award granted hereunder is not compensation for purposes of calculating the Grantee’s rights under any employee benefit plan of the Company or any Affiliate that does not specifically require the inclusion of Awards in calculating benefits.

4.8 Beneficiary Designation. The Grantee may name a beneficiary or beneficiaries to receive any vested portion of the Award that is unpaid at the Grantee’s death. Unless otherwise provided in the beneficiary designation, each designation will revoke all prior designations made by the Grantee, must be made in such manner as prescribed by the Committee and will be effective only when received by the Committee (or its authorized delegate). If the Grantee has not made an effective beneficiary designation, the deceased Grantee’s beneficiary will be the Grantee’s surviving spouse or, if none, the deceased Grantee’s estate. The identity of a Grantee’s designated beneficiary will be based only on the information included in the latest beneficiary designation received by the Committee (or its authorized delegated) and will not be inferred from any other evidence.

4.9 Taxes. The Company shall have the power and the right to deduct or withhold, or require the Grantee to remit to the Company, the minimum statutory amount to satisfy federal, state and local taxes required by law or regulation to be withheld with respect to any taxable event arising as a result of the Award granted hereunder, if any. No delivery of shares or cash shall be made unless and until appropriate arrangements for the payment of such taxes have been made. With respect to withholding required upon any taxable event arising as a result of the Award granted hereunder, the Grantee may elect, subject to the approval of the Committee, to satisfy the withholding requirement, in whole or in part, by having the Company withhold shares of Stock of the Company having a Fair Market Value on the date the tax is to be determined equal to the minimum statutory total tax that could be imposed on the transaction. Alternatively, the Grantee may elect for such taxes to be withheld from other compensation otherwise due to the Grantee from the Company and provided Grantee's other compensation is sufficient to cover such taxes. All such elections shall be irrevocable, made in writing and signed by the Grantee, and shall be subject to any restrictions or limitations that the Committee, in its sole discretion, deems appropriate. All such elections shall be made and filed with the Committee in the manner determined by the Committee on or before the Conversion Date, or such earlier date as shall be determined by the Committee. If an election has not been made by the Grantee, or the amount of the taxes required to be withheld has not been remitted by the Grantee to the Company on or before the Conversion Date, the Grantee hereby authorizes the Company to withhold from amounts payable under the Award cash or shares of Stock of the Company having a Fair Market Value equal to the tax required to be withheld.

4.10 Gender and Number. Except where otherwise indicated by the context, any masculine term used herein also shall include the feminine, the plural shall include the singular, and the singular shall include the plural.

4.11 Severability. In the event any provision of the Plan or this Agreement shall be held illegal or invalid for any reason, the illegality or invalidity shall not affect the remaining parts of the Plan or this Agreement, and the Plan or this Agreement shall be construed and enforced as if the illegal or invalid provision had not been included.

4.12 Transfer Restrictions. The Performance Units issued to the Grantee hereunder may not be sold, transferred by gift, pledged, hypothecated, or otherwise transferred or disposed of by the Grantee prior to the Settlement Date. Any attempt to transfer any Performance Units in violation of this Section 4.12 shall be null and void and shall be disregarded. The terms of this Agreement and the Plan shall be binding upon the executors, administrators, heirs, successors and assigns of the Grantee.

4.13 Compensation Recoupment Policy. This Agreement shall be subject to the terms and conditions of any compensation recoupment policy adopted from time to time by the Board or any committee of the Board, to the extent such policy is applicable.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed to be effective as of the date first noted above.

ORIGIN BANCORP, INC.	**GRANTEE**
By:______________________________	By:______________________________
______________________________	______________________________
Print Name	Print Grantee Name
______________________________	______________________________
Title	Address
	______________________________
	City, State, Zip Code

ORIGIN BANCORP, INC.
2012 Stock Incentive Plan
Incentive Agreement for Performance Unit Award

EXHIBIT B

PERFORMANCE CRITERIA

1. Number of Performance Units. The Target Number of Performance Units shall be divided into two categories composed of an equivalent number of Performance Units (each such category being a "***Unit Group***"). Subject to the terms and limitations of the Award Agreement and the Plan, each Unit Group will vest based on its achievement of the specified performance standard (the "***Performance Criteria***") for such group, as described in this Exhibit B, during the Performance Period.

2. ROAA Unit Group – The Grantee shall vest with respect to that percentage of the Performance Units in this group that corresponds to the Company's Performance Period ROAA as set forth in the following table, rounded down to the next whole Performance Unit. Units awarded for performance between levels shall be determined by straight linear interpolation.

Company's Performance Period ROAA	Percentage of Performance Units Vesting
< [1.02] %	0%
= [1.02] %	50%
= [1.20] %	100%
≥ [1.38] %	150%

3. ROAE Unit Group – The Grantee shall vest with respect to that percentage of the Performance Units in this group that corresponds to the Company's Performance Period ROAE as set forth in the following table, rounded down to the next whole Performance Unit. Units awarded for performance between levels shall be determined by straight linear interpolation

Company's Performance Period ROAE	Percentage of Performance Units Vesting
< [9.91] %	0%
= [9.91] %	50%
= [11.66] %	100%
≥ [13.41] %	150%

4. Defined Terms – Capitalized terms used in this Exhibit that are not defined in the Plan shall have the meaning ascribed below.

"***Average Company Assets***" shall mean "Average Total Assets" for the correspondent Fiscal Year as reported in Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations" of the Company's Annual Report.

“***Average Company Equity***” shall mean “Average Stockholders’ Equity” for the correspondent Fiscal Year as reported in Item 7, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” of the Company’s Annual Report.

“***Net Income***” shall mean “Net Income” for the correspondent Fiscal Year as reported in Item 8, “Consolidate Statements of Income” of the Company’s Annual Report.

“***Fiscal Year***” shall mean “January 1 to December 31”.

"***Fiscal Year ROAA***" shall mean, for each Fiscal Year, the Company’s annualized Net Income divided by Average Company Assets.

"***Fiscal Year ROAE***" shall mean, for each Fiscal Year, the Company’s annualized Net Income divided by Average Company Equity.

“***Performance Period***” shall mean the three-year period commencing on January 1, 2022 and ending on December 31, 2024.

“***Performance Period ROAA***” shall mean the average Fiscal Year ROAA during the Performance Period.

“Performance Period ROAE” shall mean the average Fiscal Year ROAE during the Performance Period.

5. Determination by Committee. The determination of whether and to what extent the Performance Criteria has been satisfied during the applicable Performance Period shall be made by the Committee, in its sole and absolute discretion, which shall be binding on all persons. The percent of the Performance Units awarded for performance between levels shall be determined by straight linear interpolation. Notwithstanding any provision of this Plan or this Agreement to the contrary, for purposes of determining satisfaction of the Performance Criteria, the following items may be disregarded: (i) a change in accounting principle, (ii) financing activities of the Company, (iii) intercompany dividends, (iv) expenses for restructuring or productivity initiatives, (v) other non-operating items, (vi) acquisitions or dispositions, (vii) discontinued operations, (viii) unusual or extraordinary events, transactions or developments, (ix) amortization of intangible assets, other significant income or expense outside the Company’s core on-going business activities, (x) other nonrecurring, unusual or infrequent items or events, and (xi) changes in the Internal Revenue Code or other applicable law, as determined in the sole discretion of the Committee.

ORIGIN BANCORP, INC.
2012 STOCK INCENTIVE PLAN
(as amended and restated effective January 1, 2017)

Incentive Agreement
for Restricted Stock Unit Award

(Time-Based Vesting)

This Incentive Agreement for Restricted Stock Unit Award (the "Agreement") is made this [_________________] (the "Date of Grant") by and between Origin Bancorp, Inc. (the "Company") and [____________________] (the "Grantee") pursuant to the Origin Bancorp, Inc. 2012 Stock Incentive Plan, as amended and restated effective January 1, 2017 (the "Plan").

WITNESSETH:

WHEREAS, Grantee is employed by the Company in the position of [_______________]; and

WHEREAS, in order to incentivize Grantee to exert substantial efforts to maximize the success of the Company, the Board of Directors desires to grant an award to the Grantee under the Plan upon the conditions and terms contained within this Agreement (the "Award").

NOW, THEREFORE, the Company and Grantee agree as follows:

ARTICLE I.
RESTRICTED STOCK UNITS

1.1 Grant of Restricted Stock Units. The Company hereby grants to Grantee [____________] Restricted Stock Units (or RSUs), subject to the terms and conditions provided in this Agreement. Each RSU shall represent a right for the Grantee to receive one (1) share of Stock or cash equal to the Fair Market Value thereof, as determined by the Committee, in its sole discretion, as of the applicable Vesting Date. The "Restricted Period" shall mean the period during which the RSUs, or portion thereof, remain unvested.

1.2 Issue Price. The Grantee shall not be required to pay any issue price to the Company in exchange for the RSUs granted hereunder or, as applicable, upon the issuance of shares of Stock hereunder.

1.3 Distributions and Voting Rights.

(a) All dividends and other distributions with respect to shares of Stock attributable to the Award that become payable during the Restricted Period will accrue when declared and will be paid to the Grantee, in cash, only upon the settlement of the related RSUs in accordance with the provisions of Section 1.4 below.

(b) The Grantee shall not be entitled to vote shares of Stock attributable to the Award prior to the date(s) on which the Grantee becomes a shareholder of record for such shares of Stock.

1.4 Settlement of Award.

(a) As soon as administratively practicable following each Vesting Date of any RSUs, but in no event later than 30 days after such Vesting Date, the Company shall deliver to the Grantee shares of Stock equal to the number of vested RSUs or cash equal to the Fair Market Value of such shares, or a combination thereof, as determined by the Company in its sole and absolute discretion. The date that the shares and/or cash are delivered shall be the "Settlement Date" of the vested RSUs.

(b) To the extent shares of Stock are issued in settlement of this Award, such shares shall be registered in the name of the Grantee and shall be held by Transfer Agent of the Company in an unrestricted shareholder account CTF1. The Company shall direct the Transfer Agent to provide a shareholder statement to the Grantee evidencing outright ownership to the Grantee (or the Grantee's beneficiary in the event of the Grantee's death, designated as provided in Section 4.8).

1.5 Vesting.

(a) Grantee shall vest in the RSUs on the earliest of (a) the Vesting Date, according to the vesting schedule outlined in the equity portal, provided the Grantee remains employed by the Company or an Affiliate through each Vesting Date, (b) the Grantee's Qualified Retirement, (c) the Grantee's death, (d) the Grantee's Disability.

(b) For purposes of this Agreement, the term "Qualified Retirement" means the Grantee's voluntary Termination of Employment upon six (6) months' prior written notice to the Company on or after attaining age sixty-five (65).

1.6 Forfeiture of Award. In addition to events of forfeiture described in Article III, any RSUs that are not vested at the time of the Grantee's Termination of Employment for any reason other than as prescribed in Section 1.5 shall be forfeited in their entirety. Upon forfeiture, all rights of the Grantee and obligations of the Company hereunder shall be immediately terminated.

ARTICLE II.
CHANGE IN CONTROL OF THE COMPANY

If the Company is not the surviving corporation following a Change in Control, and the surviving corporation following such Change in Control or the acquiring corporation (such surviving corporation or acquiring corporation is hereinafter referred to as the "Acquiror") does not assume the outstanding Award granted hereunder or does not substitute equivalent equity awards relating to the securities of such Acquiror or its affiliates for such RSUs, then the Award shall become immediately and fully vested on the date of the Change in Control. In addition, the Board of Directors or its designee may, in its sole discretion, provide for a cash payment to be made to the Grantee for the outstanding Award upon the consummation of the Change in Control, determined on the basis of the Fair Market Value that would be received in such Change in Control by the holders of the Company's securities relating to such shares of Stock.

If the Company is the surviving corporation following a Change in Control, or the Acquiror assumes the outstanding Award granted hereunder or substitutes equivalent equity awards relating to the securities of such Acquiror or its affiliates for such RSUs, then the Award or such substitutes therefor shall remain outstanding and be governed by their respective terms and the provisions of the Plan.

ARTICLE III.
GRANTEE'S COVENANTS

3.1 Confidentiality. The Grantee understands and acknowledges that (i) during the Grantee's employment with the Company or any Affiliate thereof, the Grantee will have access to Confidential Information of the Company and its Affiliates; (ii) such Confidential Information and the ability of the Company and its Affiliates to reserve such Confidential Information for their respective and exclusive knowledge and use is of great competitive importance and commercial value to the Company and its Affiliates; (iii) the Company has taken and will continue to take actions to protect the Confidential Information; and (iv) the provisions of this Section are reasonable and necessary to prevent the improper use or disclosure of such Confidential Information. Accordingly, the Grantee agrees that during the term of the Grantee's employment with the Company or any Affiliate thereof and, following the termination of such employment, until such time as the Confidential Information becomes generally available to the public through no fault of the Grantee or other person under a duty of confidentiality to the Company thereof, the Grantee will not, except as required by law or legal process, in any capacity, use or disclose, or cause to be used or disclosed, any Confidential Information the Grantee acquired while employed by the Company or any Affiliate thereof. For purposes of this Agreement, the term "Confidential Information" shall include, without limitation, the identity of customers, personal customer data, strategic plans, sales data and sales strategy, methods, products, procedures, processes, techniques, financial information, vendor and supplier lists, pricing policies, personnel data and other confidential, business, competitive and proprietary information concerning or related to the Company and/or its Affiliates and their respective businesses, operations, financial conditions, results of operations, competitive position and prospects (collectively "Confidential Information"). The parties hereto agree that nothing in this Agreement shall be construed to limit or negate the law of torts or trade secrets where it provides the Company with broader protection than that provided herein.

3.2 Return of Company Property. The parties hereto acknowledge that any material (in computerized or written form) that the Grantee obtains in the course of performing the Grantee's employment duties with the Company or any Affiliate are the sole and exclusive property of the Company, the Grantee agrees to immediately return any and all records, files, computerized data, documents, Confidential Information, or any other property owned or belonging to the Company in the Grantee's possession or under the Grantee's control, without any originals or copies being kept by the Grantee or conveyed to any other person, upon the Grantee's separation from employment or upon the Company's request.

3.3 Non-Solicitation of Customers/Employees. The Grantee agrees that during Grantee's employment by the Company or any Affiliate thereof and for a period of one (1) year thereafter, the Grantee will not directly, or indirectly, on behalf of himself or any other person, entity or enterprise, do any of the following:

(i) (Divert or attempt to divert from the Company or any Affiliate thereof any business by influencing or attempting to influence or soliciting or attempting to solicit any customers of the Company or any Affiliate thereof or any particular customer with whom the Company or any Affiliate thereof had business contacts in the one-year period immediately preceding the Grantee's termination or with whom the Grantee may have dealt at any time during the Grantee's employment by the Company or an Affiliate thereof. The provisions of this item (i) shall apply in the parishes and counties listed in the Exhibit "A" attached hereto and made a part hereof, as the same may be amended from time to time. The parties agree that Exhibit A may be amended from time to time by the Company, which amendments shall be presented to the Grantee in writing and shall be deemed accepted by the Grantee if the Grantee remains employed by the Company on the third (3rd) business day following receipt of any such amendment.

(ii) Without the prior written consent of the Company, recruit, solicit, hire, attempt to hire, or assist any other person to hire any employee of the Company or an Affiliate thereof or any person who was an employee of the Company or any Affiliate during the six (6) months immediately preceding the Grantee's Termination of Employment.

(iii) Otherwise assist any person in any way to do, or attempt to do, anything prohibited by the foregoing.

3.4 Remedies. Notwithstanding any other provision of this Agreement, if the Company determines that the Grantee has breached or threatened to breach any provision of this Article III, then, upon written notice of the Company and without consideration, any RSUs whether or not vested shall be immediately forfeited, the shares and cash (including proceeds received upon a sale of the shares) issued to the Participant shall be subject to recoupment and any and all rights to receive any remaining benefits under this Agreement shall be immediately cancelled. In addition, the Company shall be entitled to injunctive and other equitable relief (without the necessity of showing actual monetary damages or of posting any bond or other security): (i) restraining and enjoining any act which would constitute a breach, or (ii) compelling the performance of any obligation which, if not performed, would constitute a breach, as well as any other remedies available to the Company, including monetary damages. Upon the Company's request, the Grantee shall provide reasonable assurances and evidence of compliance with the restrictive covenants set forth in this Article III. If any court of competent jurisdiction shall deem any provision in this Article III too restrictive, the other provisions shall stand, and the court shall modify the unduly restrictive provision to the point of greatest restriction permissible by law. The restrictive covenants set forth in this Article III shall survive the termination of this Agreement, the forfeiture of the Award, and the Grantee's Termination of Employment with the Company and all Affiliates for any reason, and the Grantee shall continue to be bound by the terms of this Article III as if this Agreement was still in effect.

ARTICLE IV.
MISCELLANEOUS PROVISIONS

4.1 Adjustments Upon Changes in Stock. In case of any reorganization, recapitalization, reclassification, stock split, stock dividend, distribution, combination of shares, merger, consolidation, rights offering, or any other changes in the corporate structure or shares of the Company, appropriate adjustments may be made by the Committee or the Board of Directors, as the case may be, (or if the Company is not the surviving corporation in any such transaction, the board of directors of the surviving corporation) in the aggregate number and kind of shares subject to the Plan, and the number and kind of shares subject to this Award. Appropriate adjustments may also be made by the Committee or the Board of Directors, as the case may be, in the terms of any Awards under the Plan, subject to the provisions of the Plan, to reflect such changes and to modify any other terms of outstanding Awards on an equitable basis. Any such adjustments made by the Committee or the Board of Directors pursuant to this Section shall be conclusive and binding for all purposes under the Plan.

4.2 Amendment, Suspension, and Termination of Plan.

(a) The Board of Directors may suspend or terminate the Plan or any portion thereof at any time, and, subject to limitations contained therein and, subject to shareholder approval if required, may amend the Plan from time to time in such respects as the Board of Directors may deem advisable in order that any awards thereunder shall conform to any change in applicable laws or regulations or in any other respect the Board of Directors may deem to be in the best interests of the Company; provided, however, that no such amendment, suspension, or termination shall adversely alter or impair the Award granted hereunder without the consent of the Grantee.

(b) The Committee may amend or modify the Award granted hereunder in any manner to the extent that the Committee would have had the authority under the Plan initially to grant the Award as so modified or amended; however, no such amendment or modification shall adversely alter or impair the Award granted hereunder without the consent of the Grantee.

(c) Notwithstanding the foregoing, the Plan and the Agreement may be amended without any additional consideration to the Grantee to the extent necessary to comply with, or avoid penalties under, Section 409A of the Code, even if those amendments reduce, restrict or eliminate rights granted prior to such amendments.

4.3 No Right To Employment/Other Service. None of the actions of the Company in establishing the Plan, the actions taken by the Company, the Board of Directors or the Committee under the Plan, or the granting of the Award pursuant to this Agreement shall be deemed (a) to create any obligation on the part of the Company or any Affiliate or on the Board of Directors of the Company or such Affiliate to retain the Grantee as an employee, consultant, director or other service provider or to nominate Grantee for election to the Board of Directors, or (b) to be evidence of any agreement or understanding, express or implied, that the person has a right to continue as an employee, consultant, other service provider, or non-employee director for any period of time or at any particular rate of compensation.

4.4 Plan and Grant Document Control. The grant of the Award hereunder is governed and controlled by the terms of the Plan and this Agreement. All the provisions of the Plan, as such may be amended from time to time, are hereby incorporated into this Agreement by this reference. All capitalized terms utilized in this Agreement shall have the same meaning as in the Plan, except as otherwise specifically provided herein.

4.5 Governing Law. All matters relating to the Plan or to awards granted under the Plan pursuant to this Agreement shall be governed by and construed in accordance with the laws of the State of Louisiana without regard to the principles of conflict of laws.

4.6 Trust Arrangement. All benefits under the Plan represent an unsecured promise to pay by the Company. The Plan shall be unfunded and the benefits hereunder shall be paid only from the general assets of the Company resulting in the Grantee having no greater rights than the Company's general creditors; provided, however, nothing herein shall prevent or prohibit the Company from establishing a trust or other arrangement for the purpose of providing for the payment of the benefits payable under the Plan.

4.7 No Impact on Benefits. The Award granted hereunder is not compensation for purposes of calculating the Grantee’s rights under any employee benefit plan of the Company or any Affiliate that does not specifically require the inclusion of Awards in calculating benefits.

4.8 Beneficiary Designation. The Grantee may name a beneficiary or beneficiaries to receive any vested portion of the Award that is unpaid at the Grantee’s death. Unless otherwise provided in the beneficiary designation, each designation will revoke all prior designations made by the Grantee, must be made in such manner as prescribed by the Committee and will be effective only when received by the Committee (or its authorized delegate). If the Grantee has not made an effective beneficiary designation, the deceased Grantee’s beneficiary will be the Grantee’s surviving spouse or, if none, the deceased Grantee’s estate. The identity of a Grantee’s designated beneficiary will be based only on the information included in the latest beneficiary designation received by the Committee (or its authorized delegate) and will not be inferred from any other evidence.

4.9 Taxes. The Company shall have the power and the right to deduct or withhold, or require the Grantee to remit to the Company, the minimum statutory amount to satisfy federal, state and local taxes required by law or regulation to be withheld with respect to any taxable event arising as a result of the Award granted hereunder, if any. No delivery of shares or cash shall be made unless and until appropriate arrangements for the payment of such taxes have been made. With respect to withholding required upon any taxable event arising as a result of the Award granted hereunder, the Grantee may elect, subject to the approval of the Committee, to satisfy the withholding requirement, in whole or in part, by having the Company withhold shares of Stock of the Company having a Fair Market Value on the date the tax is to be determined equal to the minimum statutory total tax that could be imposed on the transaction. Alternatively, the Grantee may elect for such taxes to be withheld from other compensation otherwise due to the Grantee from the Company and provided Grantee's other compensation is sufficient to cover such taxes. All such elections shall be irrevocable, made in writing and signed by the Grantee, and shall be subject to any restrictions or limitations that the Committee, in its sole discretion, deems appropriate. All such elections shall be made and filed with the Committee in the manner determined by the Committee on or before the Vesting Date, or such earlier date as shall be determined by the Committee. If an election has not been made by the Grantee, or the amount of the taxes required to be withheld has not been remitted by the Grantee to the Company on or before the Vesting Date, the Grantee hereby authorizes the Company to withhold from amounts payable under the Award cash or shares of Stock of the Company having a Fair Market Value equal to the tax required to be withheld.

4.10 Gender and Number. Except where otherwise indicated by the context, any masculine term used herein also shall include the feminine, the plural shall include the singular, and the singular shall include the plural.

4.11 Severability. In the event any provision of the Plan or this Agreement shall be held illegal or invalid for any reason, the illegality or invalidity shall not affect the remaining parts of the Plan or this Agreement, and the Plan or this Agreement shall be construed and enforced as if the illegal or invalid provision had not been included.

4.12 Transfer Restrictions. The RSUs issued to the Grantee hereunder may not be sold, transferred by gift, pledged, hypothecated, or otherwise transferred or disposed of by the Grantee prior to the Settlement Date. Any attempt to transfer any RSUs in violation of this Section 4.12 shall be null and void and shall be disregarded. The terms of this Agreement and the Plan shall be binding upon the executors, administrators, heirs, successors and assigns of the Grantee.

4.13 Compensation Recoupment Policy. This Agreement shall be subject to the terms and conditions of any compensation recoupment policy adopted from time to time by the Board or any committee of the Board, to the extent such policy is applicable.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed to be effective as of the date first noted above.

ORIGIN BANCORP, INC.	**GRANTEE**
By:______________________________	By:______________________________
______________________________	______________________________
Print Name	Print Grantee Name
______________________________	______________________________
Title	Address
	______________________________
	City, State, Zip Code

CHANGE IN CONTROL AGREEMENT

THIS AGREEMENT is made as of the day of February 22, 2022 ("Effective Date"), by and among Origin Bank, a Louisiana state bank (the "Bank"), Origin Bancorp, Inc., a Louisiana corporation and registered bank holding company for the Bank ("Origin"), and Derek McGee ("Executive").

RECITALS

WHEREAS, Executive is employed by the Bank as SEO, Chief Legal Counsel (Austin);

WHEREAS, the **Bank** and Origin desire to attract and retain well-qualified executives and key personnel and to incentivize such personnel to remain in the employ of the Bank; and

WHEREAS, the Bank and Origin recognize that Executive is a valuable resource and desire to ensure Executive's **employment**, continued loyalty and services and, in the event Executive is terminated or Executive's position with the Bank is adversely changed in connection with a Change in Control (as hereinafter defined), to ensure Executive of adequate severance.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are acknowledged, the parties agree as follows:

1. Eligibility.

Executive will be eligible for the benefits described in Section 3 upon the occurrence of any one of the following events:

(a) Executive is employed by the Bank on the Closing Date and, within the two-year period beginning on the Closing Date, Executive experiences a Termination of Service by the Bank other than for Cause;

(b) Executive is employed by the Bank on the Closing Date and, within the two-year period beginning on the Closing Date, Executive experiences a Termination of Service by Executive for Good Reason; or

(c) Within the Pre-Change in Control Period, Executive experiences a Termination of Service by the Bank other than for Cause, or a Termination of Service by Executive for Good Reason, if such termination occurred, or such condition giving rise to such Good Reason arose, in anticipation of a Change in Control (an "Anticipatory Termination").

2. Effective Date and Term.

This Agreement will have a term of three years, commencing on the Effective Date; provided however, that at the end of the initial term of this Agreement and each renewal term thereafter, this Agreement will automatically renew for successive one-year terms unless not later than 90 days preceding the upcoming renewal date, Executive notifies the Bank, or the Bank notifies Executive, in writing, of the termination of this Agreement at the end of the current term. Notwithstanding the foregoing, this Agreement will terminate automatically upon Executive's Termination of Service prior to a Change in Control during the term of this Agreement, except as provided in Section 1(c). Upon termination of this Agreement, all rights and obligations of the parties under this Agreement will terminate, except as otherwise specifically provided herein.

3. Severance Benefit.

(a) Subject to Section 3(c) and 3(d), and Section 7, upon the occurrence of a Termination of Service described in Section l(a) or l(b), or upon the occurrence of a Change in Control subsequent to an Anticipatory Termination described in Section l(c), Executive will be entitled to receive a severance benefit, consisting of the following: (i) a lump sum cash payment of two times Executive's then-current annual base salary (or such annual base salary in effect on the date of such Anticipatory Termination) and (ii) a lump sum cash payment of two times the average of the incentive bonus paid within the three calendar years (or such fewer full calendar years as Executive has been employed by the Bank and/or Origin) immediately preceding the date of Executive's Termination of Service (collectively, the "Change in Control Severance Benefits").

(b) The Change in Control Severance Benefits, if any, will be paid no later than the 60"' day following the later of (i) Executive's Termination of Service and (ii) the Closing Date (the "Payment Period").

(c) Notwithstanding anything in this Agreement to the contrary, if Executive is a "disqualified individual" (as defined in Section 280G(c) of the Code) and the payments and benefits provided for in this Agreement, together with any other payments and benefits which Executive has the right to receive from the Bank, Origin or any other person would constitute a "parachute payment" (as defined in Section 280G(b)(2) of the Code), then, the payments and benefits provided for in this Agreement will be either (i) reduced (but not below zero) so that the present value of such total amounts and benefits received by Executive from the Bank, Origin and/or such person(s) will be $1.00 less than three times Executive's "base amount" (as defined in Section 280G(b)(3) of the Code) and so that no portion of such amounts and benefits received by Executive will be subject to the excise tax imposed by Section 4999 of the Code or (ii) paid in full, whichever produces the better "net after-tax position" to Executive (taking into account any applicable excise tax under Section 4999 of the Code and any other applicable taxes). The reduction of payments and benefits hereunder, if applicable, will be made by reducing, first, payments or benefits to be paid in cash hereunder in the order in which such payment or benefit would be paid or provided (beginning with such payment or benefit that would be made last in time and continuing, to the extent necessary, through to such payment or benefit that would be made first in time) and, then, reducing any benefit to be provided in-kind hereunder in a similar order.

(d) Executive's eligibility for the Change in Control Severance Benefits described herein will be subject to, and conditioned upon, the Bank's or Origin's receipt of an executed and irrevocable release of claims, in the form provided by the Bank, on or prior to the expiration of the Payment Period. Executive will forfeit all rights to Change in Control Severance Benefits hereunder unless such release is signed and delivered (and no longer subject to revocation, if applicable) within such Payment Period.

4. Confidential and Proprietary Information.

Executive acknowledges and agrees that any and all non-public information regarding the Bank, Origin and their respective customers and affiliates is confidential and the unauthorized disclosure of such information will result in irreparable harm to the Bank and/or Origin. Executive will not, during Executive's employment by the Bank, Origin or any affiliate thereof and until such time as such confidential information becomes generally available to the public through no fault of Executive or other person under a duty of confidentiality to the Bank, Origin or any affiliate thereof, disclose or permit the disclosure of any such confidential information to any person other than an employee of the Bank, Origin or an affiliate thereof, or to an individual engaged by the Bank, Origin or an affiliate thereof to render professional services thereto under circumstances that require such person to maintain the confidentiality of such information, except as such disclosure may be required by law. In addition, Executive will not use any such confidential information, except as authorized by the Bank. The provisions of this Section 4 will survive any termination of this Agreement.

5. Non-solicitation.

(a) Executive agrees that during Executive's employment by the Bank (or a successor following a Change in Control) and for a period of one year thereafter, Executive will not, directly or by assisting or encouraging others:

(i) intentionally take any action, of any kind, which will disturb or may or might disturb the existing business and/or relationship of the Bank with any Covered Customer with whom Executive had direct contact during the term of his employment with the Bank; for the avoidance of doubt, the actions prohibited by this provision include (but are not limited to) the solicitation of business from the Covered Customers;

(ii) intentionally take any action, of any kind, which will disturb or may or might disturb the existing business and/or relationship of Executive with any Covered Customer with whom Executive had indirect contact through Executive's direct subordinates or superiors during the term of his or her employment with the Bank; for the avoidance of doubt, the actions prohibited by this provision include (but are not limited to) the solicitation of business from the Covered Customers;

(iii) intentionally solicit the business of any Covered Customers for the purpose of competing with the Bank;

(iv) intentionally solicit, recruit, or induce any current employee of the Bank or any employee who terminated employment with the Bank for any reason within the six months preceding any action or communication prohibited by this provision, to terminate his or her employment with the Bank; or

(v) intentionally hire any current employee of the Bank or any employee who terminated employment with the Bank for any reason within the six months preceding any action or communication prohibited by this provision.

(b) "Covered Customer" means any individual or entity who is, or was, at any time during Executive's employment with the Bank, a customer of the Bank within the parishes, counties, and municipalities listed in Exhibit A. Executive acknowledges and agrees that Exhibit A may be amended from time to time by the Bank to include any additional parishes and counties in which the Bank has a branch banking facility, which amendment(s) will be presented to Executive in writing and will be become effective and binding on Executive unless Executive provides a notice of termination by the fifth business day following the date on which notice of the amendment is duly given under this Agreement. "customer" includes, but is not limited to, any business, person or entity for whom the Bank has extended credit, accepted deposits or provided other financial services, including mortgage banking or brokerage services, or with whom the Bank has had contracts, agreements, arrangements or any type of business, or working relationship. Executive acknowledges and represents that he understands the nature of the customer relationships of the Bank and who and what comprises its customers.

(c) Executive acknowledges that the "business" of the Bank involves and relates to extending credit, accepting deposits, and engaging in those other activities permissible for FDIC-insured financial institutions, including mortgage banking or brokerage services, either directly or indirectly, through financial or operating subsidiaries and affiliates. Executive is familiar with and fully understands the business in which the Bank is engaged and the scope, activities and business pursuits involved in the business of the Bank. Executive understands and acknowledges that the non-solicitation covenants contained in this Agreement prohibit Executive from engaging in or conducting, in any capacity or in any position, any business activities similar to that of the Bank.

(d) As used in this Section 5, the term "solicit" includes, but is in no way limited to, (i) any and all direct and indirect solicitation of business (whether directly by Executive or through others) and (ii) engagement in communications (through any format or medium) for the purpose of generating or attempting to generate business, services, work or other business activities with the customer. Executive may not avoid the purpose and intent of this Section 5 by communicating with individuals or entities within the geographically-limited area (or engaging in conduct involving activities in the geographically-limited area) from a remote location through means such as telecommunications, written correspondence, computer generated or assisted communications, or other similar methods.

(e) Executive acknowledges that (i) one of the principal causes and considerations of the Bank granting the rights contained in this Agreement is the restrictive covenants to which Executive is obligated under this Agreement; (ii) Executive will be granted access to and will be provided confidential information to which only certain senior executives of the Bank have access that will enable Executive the opportunity to reap material pecuniary rewards over the term of his or her employment; (iii) Executive will be obtaining unique knowledge, experience and skills through employment with the Bank; (iv) the Bank is expending substantial resources to make Executive an integral part of its current and future business plans; (v) Executive will become familiar with the salary, pay scale, capabilities, experiences, skill and desires of the Bank's employees; (vi) Executive would not have obtained such experience and opportunities to the same extent from other sources without the employment relationship with the Bank; and (vii) the Bank's willingness to provide the foregoing is based upon its reliance on these restrictive covenants and Executive's other obligations contained in this Agreement.

(f) Executive acknowledges that the length and scope of the restrictions contained in this Section 5 are reasonable and necessary to protect the legitimate business interests, including goodwill, of the Bank and that Executive is receiving valuable and adequate consideration for agreeing to be bound by such restrictions. The provisions of this Section 5 will in no event be construed to be an exclusive remedy.

(g) The existence of any claim or cause of action by Executive against the Bank whether predicated on this Agreement or otherwise will not constitute a defense to the enforcement by the Bank, by injunctive relief or otherwise of the provisions of this Section 5. No failure on the part of the Bank to enforce any violation by Executive of this Section 5 will constitute a waiver of the Bank's rights thereafter to enforce all of the terms, covenants, provisions, and agreements herein contained.

The provisions of this Section 5 will survive any termination of this Agreement.

6. Definitions.

For purposes of this Agreement, the following terms have the meanings given them in this Section 6.

(a) "Cause" means:

(i) The willful and continued failure by Executive to substantially perform Executive's duties after a demand for substantial performance is delivered to Executive that specifically identifies the manner in which the Bank in good faith reasonably believes that Executive has not substantially performed his or her duties, and Executive has failed to resume substantial performance of Executive's duties on a continuous basis within 14 days of receiving such demand;

(ii) Executive's misuse of drugs (including alcohol), which materially affects his ability to perform duties of employment;

(iii) Executive's conviction, guilty plea or no contest plea to any felony or any other crime involving breach of trust, dishonesty, or moral turpitude;

(iv) Executive's willful engagement in disloyal conduct which is materially and demonstrably injurious to the Bank;

(v) Executive's engagement in gross negligence, willful misconduct or harassment (including but not limited to sexual harassment or sexual abuse, whether or not such harassment occurs in the course of his performance of his job duties);

(vi) Executive's violation of state or federal securities or banking laws;

(vii) Executive's refusal to cooperate with a legitimate internal, regulatory, or law enforcement investigation;

(viii) Executive's prohibition from engaging in the business of banking by any applicable government agency or regulatory body; and

(ix) Any other action or inaction that would constitute a material breach by the Executive under any written employment agreement between the Bank and Executive, pursuant to which Executive performs services for the Bank.

(b) "Change in Control" means:

(i) The acquisition by any one person, or by more than one person acting as a group, of ownership of stock that, together with stock held by such person or group, constitutes more than 50% of the total fair market value or total voting power of the stock of the Bank or Origin, or any successor;

(ii) The acquisition by any one person, or by more than one person acting as a group, during the twelve-month period ending on the date of the most recent acquisition, of ownership of stock possessing 50% or more of the total voting power of the stock of Origin;

(iii) The replacement during any 12-month period of a majority of the members of Origin's Board of Directors by directors whose appointment or election is not endorsed by a majority of the members of such Board of Directors before the date of such appointment or election; or

(iv) The acquisition by any one person, or more than one person acting as a group, during the twelve-month period ending on the date of the most recent acquisition, of assets of the Bank or Origin having a total gross fair market value of more than 50% of the total gross fair market value of all of the assets of the Bank or Origin immediately prior to such acquisition or acquisitions.

The parties intend that the definition of Change in Control will be the same as a change of ownership of a corporation, a change in the effective control of a corporation and/or a change in the ownership of a substantial portion of a corporation's assets within the meaning of Treasury Regulations Section l.409A- 3(i)(5), as modified by the substitution of the higher percentage requirement in clauses (ii) and (iv) above, and all questions or determinations in connection with any such Change in Control will be construed and interpreted in accordance with the provisions of such Treasury Regulations. This definition of Change in Control will be applicable only for purposes of determining Executive's rights under this Agreement and for no other purpose.

(c) "Closing Date" means the date on which the event or events constituting a Change in Control is consummated.

(d) “Code" means the Internal Revenue Code of 1986, as amended.

(e) "Good Reason" means any of the following occurring without Executive's consent:

(i) A material diminution in Executive's authority, duties or responsibilities;

(ii) A relocation of Executive's principal place of employment by more than 30 miles from the location at which he performed his principal duties for the Bank immediately prior to such change;

(iii) A material diminution in Executive's annual base salary; or

(iv) Any other action or inaction that would constitute a material breach by the Bank under any written employment agreement between the Bank and Executive, pursuant to which Executive performs services for the Bank.

Notwithstanding the preceding, none of these conditions will constitute "Good Reason" unless (I) within 60 days from Executive first acquiring knowledge of the existence of the Good Reason condition, Executive provides the Bank with written notice of his or her intention to terminate employment for Good Reason and the grounds for such termination; (2) such grounds for termination (if susceptible to correction) are not corrected by the Bank within 30 days of the receipt of such notice (or, in the event that such grounds cannot be corrected within the 30 day period, the Bank has not taken all reasonable steps within such 30-day period to correct such grounds as promptly as practicable thereafter); and (3) Executive terminates his or her employment with the Bank immediately following expiration of such 30- day period. Any attempt by the Bank to correct a stated Good Reason will not be deemed an admission by the Bank that Executive's assertion of Good Reason is valid. Further, "Good Reason" will not be deemed to exist as a result of a material diminution of Executive's authority, responsibilities or duties during any period that Executive's employment duties have been suspended by the Bank as a result of an alleged violation by Executive of the terms of his or her employment, or of any law, regulation or policy applicable to the Bank, or any investigation in respect thereof, so long as Executive continues to receive the compensation to which he or she is entitled during any such period of suspension.

(f) "Pre-Change in Control Period" means the period commencing on the earlier of (i) the date of commencement of negotiations leading to the consummation of a Change in Control and (ii) six months prior to the Closing Date.

(g) "Termination of Service" means the termination of Executive's employment with the Bank, Origin and all affiliates thereof for any reason, and which termination of service constitutes a "separation from service" determined in accordance with the provisions of Section 409A of the Code and the Treasury Regulations thereunder. Notwithstanding the preceding or any provision herein to the contrary, a Termination of Service has not occurred if Executive remains employed, or is simultaneously reemployed, by Origin or any affiliate thereof, or successor thereto following a Change in Control, in a position having comparable or greater duties, authority and compensation as Executive's position with the Bank immediately preceding such Change in Control (or, with respect to an Anticipatory Termination, based on Executive's position with the Bank immediately preceding such Pre-Change in Control Period). For purposes of clarity, a Termination of Service will not include a "separation of service" as a result of the death or disability (within the meaning of Section 409A of the Code) of Executive.

7. Regulatory Restrictions.

The parties recognize that the enforceability of compensation agreements with banks is subject to some uncertainty and that banks and their bank holding companies are subject to regulatory restrictions that change from time to time. As a result, Executive may be prevented from obtaining or enforcing any or all of Executive's rights hereunder. !fa payment otherwise required to be made hereunder is prohibited or limited by any law or regulation applicable to the Bank, or any binding order of a court, tribunal, or regulatory agency, then, the Bank will make such payment, except to the extent of such prohibition or limitation, and Origin will make any such remaining payment, except to the extent that Origin is prohibited or limited by any law or regulation applicable to Origin, or any binding order of a court, tribunal, or regulatory agency. Nothing herein will require Origin or the Bank to take any action or make any payment under this Agreement to the extent that such action or payment would cause Origin or the Bank to violate any law, regulation or order applicable to Origin or the Bank, as applicable, and neither Origin nor the Bank will be deemed to be in breach of any such provision as a result of its failure to take such action or make such payment.

8. Notices.

All notices and other communications provided for by this Agreement will be in writing and will be deemed to have been duly given when delivered in person or mailed by United States certified mail, return receipt requested, postage prepaid, addressed as follows:

If to Executive:

Derek McGee

1803 Groveton Cove

Austin, TX 78746

If to Bank:

Origin Bank

500 South Service Road East

Ruston, LA 71270

Attn: Chief Human Resources Officer

or to such other addresses any party may have furnished to the other in writing in accordance with this Agreement.

9. <u>409A Compliance.</u>

(a) This Agreement is intended either to avoid the application of, or comply with, Section 409A of the Code. To that end, this Agreement will at all times be interpreted in a manner that is consistent with Section 409A of the Code. Notwithstanding any other provision in this Agreement to the contrary, the Bank will have the right, in its sole discretion, to adopt such amendments to this Agreement or take such other actions (including amendments and actions with retroactive effect) as it determines is necessary or appropriate for this Agreement to comply with Section 409A of the Code. However, nothing in this Agreement will be interpreted or construed to transfer any liability for any tax, penalty, interest or other assessment (including a tax or penalty due as a result of a failure to comply with Section 409A) from Executive to the Bank or to any other individual or entity.

(b) Any payment following a Termination of Service that would be subject to Section 409A(a)(2)(A)(i) of the Code as a distribution following a Termination of Service of a "specified employee" (as defined in Section 409A(a)(2)(B)(i) of the Code) will be made on the first to occur of (i) the first business day after the expiration of the six-month period following the Termination of Service, (ii) death or (iii) such earlier date that complies with Section 409A of the Code.

(c) Each payment that Executive may receive under this Agreement will be treated as a "separate payment" for purposes of Section 409A of the Code.

10. <u>Not a Contract of Employment.</u>

The parties acknowledge and agree that Executive's employment by the Bank is at will and that Executive may resign from employment with the Bank and/or Origin at any time, whether before or after the occurrence of a Change in Control. Executive further acknowledges and agrees that Executive's employment is at the pleasure of the Board of Directors of the Bank and/or Origin and that Executive may be removed at any time. If such termination occurs by a decision of any successor after a Change in Control, the terms of this Agreement will remain in full force and effect.

11. <u>Withholding of Taxes.</u>

The Bank will have the right to deduct from any payment made pursuant to this Agreement any amounts required to be paid or withheld by the Bank with respect to federal, state or local taxes and any other amounts specifically authorized to be withheld or deducted by Executive.

12. Governing Law.

This Agreement will be governed by and construed and enforced in accordance with the internal laws of the State of Louisiana, without regard to principles of conflicts of laws. Further, to the fullest extent permitted by law, the parties waive any right to trial by jury of any claim, demand, action, or cause of action arising under or in any way related to the obligations contained in this Agreement, whether in contract, tort, equity, or otherwise. If suit, action or other proceeding is filed by any party to enforce the provisions of this Agreement or otherwise with respect to the subject matter of this Agreement, the prevailing party will be entitled to recover its reasonable costs incurred to third parties, including attorney fees and litigation expenses.

13. Successors and Assigns.

The Agreement is personal to Executive and, without the prior written consent of the Bank, will not be assignable by Executive. Subject to the foregoing, this Agreement will be binding upon and inure to the benefit of and be enforceable by the parties and their respective successors and permitted assigns.

14. Severability.

If any provision of this Agreement is held to be illegal, invalid or unenforceable in any respect, that provision will be fully severable, and this Agreement will be construed and enforced as if such provision had never been contained herein; the remaining provisions of this Agreement will remain in full force and effect and will not be affected by such illegal, invalid or unenforceable provision or by its severance from this Agreement; and there will be added automatically as a part of this Agreement a provision as similar in terms to such illegal, invalid or unenforceable provision as possible and still be legal, valid and enforceable. Further, to the extent that any provision of Section 5 is determined to be broader than is otherwise enforceable, the parties agree that a court of competent jurisdiction should reform that provision in a manner so that it may be enforced to the maximum extent permitted by law.

15. Entire Agreement; Amendment.

This Agreement sets forth the entire agreement of the parties regarding the subject matter hereof and supersedes all prior agreements, understandings and covenants with respect to the subject matter hereof. This Agreement may be amended or terminated only by mutual agreement of the parties in writing.

IN WITNESS WHEREOF, the undersigned parties have executed this Agreement as of the day and year first above written.

ORIGIN BANK

By: /s/ Lance Hall

Name: Lance Hall

Title: President & CEO

ORIGIN BANCORP, INC.
By: /s/ Drake Mills

Name: Drake Mills

Title: Chairman & CEO

EXECUTIVE
/s/ Derek McGee

<u>EXHIBIT A</u>

PARISHES/COUNTIES SUBJECT TO NON-SOLICITATION COVENANT

Travis

TERMINATION OF CHANGE IN CONTROL AGREEMENT

This TERMINATION OF CHANGE IN CONTROL AGREEMENT (this "Termination Agreement"), effective August 8, 2022, is entered into by and among Origin Bancorp, Inc. ("Origin"), a Louisiana corporation and registered bank holding company, Origin Bank, a Louisiana state bank, and Stephen Brolly ("Executive").

RECITALS

WHEREAS, the parties hereto previously entered into that certain Change in Control Agreement, dated April 2, 2018 (the "CIC Agreement"), which provided for the payment of certain severance benefits to Executive in the event of a Change in Control (as defined in the CIC Agreement);

WHEREAS, Executive and Origin have negotiated an Employment Agreement (the "Employment Agreement"), by and between Origin and Executive, the effectiveness of which is conditioned upon the termination of the CIC Agreement; and

WHEREAS, in connection with and in consideration of the execution of the Employment Agreement and Executive's continued employment with Origin, the parties hereto desire to terminate the CIC Agreement under the terms of this Termination Agreement.

NOW, THEREFORE, in consideration of the foregoing, and the other promises, covenants and benefits set forth in this Amendment, the parties agree as follows:

AGREEMENT

1. Termination of CIC Agreement. As of the effective time the Employment Agreement, and conditioned upon the due execution and delivery of such Employment Agreement by the parties thereto, the CIC Agreement shall terminate and be extinguished in its entirety. Thereafter, none of Origin, Origin Bank or Executive shall have any rights or obligations under the CIC Agreement, and the CIC Agreement shall be of no further force and effect.

2. Release. Executive hereby completely releases and forever discharges Origin and Origin Bank, their respective affiliates, representatives, attorneys, employees and directors, from any and all claims, demands, obligations, causes of action, rights, damages, costs, expenses and compensation of any nature whatsoever, whether based on state law, federal law, common law, or otherwise acquired, related to obligations owed to Executive under the terms of the CIC Agreement.

3. Successors and Assigns. The provisions of this Termination Agreement will inure to the benefit of and be binding upon the parties and their successors and permitted assigns. No party may assign its rights under this Termination Agreement without the prior written consent of the other parties.

4. Other Agreements. The parties hereto acknowledge that nothing in this Termination Agreement shall in any way limit or preempt such parties' obligations owed pursuant to any other any agreement to which Executive, on one hand, and any of Origin or Origin Bank, on the other hand, are a party, including, without limitation, any supplemental executive retirement plan, split dollar life insurance agreement, employment agreement, or other compensatory agreements.

5. Termination. This Termination Agreement, including the release provisions contained herein, shall be void and of no further force or effect if the Employment Agreement is not duly executed and delivered or otherwise does not become effective between the parties thereto.

[Signature Page Follows]

[Signature Page to Termination of Change in Control Agreement]

IN WITNESS WHEREOF, the undersigned have executed this Agreement effective as of the date first above written.

ORIGIN BANCORP, INC.

By: /s/ Drake Mills

Name: Drake Mills

Title: Chairman, President and CEO

ORIGIN BANK

By: /s/ Lance Hall

Name: Lance Hall

Title: President & CEO

EXECUTIVE

/s/ Stephen Brolly

AMENDMENT TO EMPLOYMENT AGREEMENT

THIS AMENDMENT TO EMPLOYMENT AGREEMENT (this "Amendment") is made and entered into as of this 24th day of May, 2022, by and among Lori Sirman (the "Executive"), BTH Bank, N.A., a national banking association ("BTH Bank"), and BT Holdings, Inc., a Texas corporation and the parent bank holding company for BTH Bank ("BTH").

WHEREAS, BTH and Origin Bancorp, Inc. ("Origin"), a Louisiana corporation and the parent bank holding company for Origin Bank, a Louisiana state-chartered bank ("Origin Bank"), entered into an Agreement and Plan of Merger dated February 24, 2022 (the "Merger Agreement") pursuant to which BTH will merge with and into Origin, with Origin surviving the merger (the "Merger");

WHEREAS, immediately following the Merger, BTH and Origin intend for BTH Bank to merge with and into Origin Bank (the "Bank Merger");

WHEREAS, Executive is a party to that certain Employment Agreement, dated January 16, 2013, with BTH Bank (the "Employment Agreement");

WHEREAS, in connection with and subject to the consummation of the Bank Merger, Origin Bank will be substituted for BTH under the Employment Agreement, and Origin will be substituted for BTH;

WHEREAS, to ensure the continued commitment of Executive following the consummation of the Merger and the Bank Merger, the Executive and BTH Bank desire to amend the Employment Agreement to reflect the Executive's position with Origin Bank beginning effective as of the date on which the Bank Merger occurs (the "Employment Date"), to specify a new employment term commencing on the Employment Date, and to reflect Origin Bank as the successor-in-interest to BTH Bank under the Employment Agreement;

NOW, THEREFORE, in consideration of the foregoing, and the other promises, covenants and benefits set forth in this Amendment, the parties agree as follows:

1. Appointment. As of the Employment Date, the Executive shall be employed as Executive Vice President of Origin Bank and shall faithfully devote the Executive's best efforts and the Executive's primary focus to the Executive's position(s) with Origin Bank. All references to the Executive's position, title, and duties in the Employment Agreement shall be deemed updated to be consistent herewith.

2. Compensation. The Executive's annual base salary on the Employment Date will be $500,000, appropriately prorated for a partial year. Origin Bank will periodically evaluate the Executive's base salary for increases, but not decreases, during the term of the Employment Agreement. The Executive will also be eligible for such incentive compensation and other benefits as may be made available to similarly-situated officers of Origin Bank.

3. Duration. The Employment Agreement shall, unless earlier terminated as provided therein, expire and terminate by its own terms two (2) years after the Employment Date; provided, however, that commencing on the expiration of such two-year term and each anniversary thereafter, the Employment Agreement shall be deemed to be automatically extended, upon the same terms and conditions, for successive periods of one (1) year each, unless either party elects to terminate the Employment Agreement by sending written notice to the other party of non-renewal at least thirty (30) days prior to the expiration of the then-current term. Both Origin Bank and the Executive acknowledge and agree that, upon expiration of the term of the Employment Agreement, the parties may agree to continue the employment relationship upon such terms as they may mutually agree. Both parties acknowledge and agree that, in the event the Employment Agreement does not renew, this Employment Agreement shall terminate automatically upon the expiration of the then current term without any additional liability or obligation on the part of either party, except as expressly provided herein. All references in the Employment Agreement to the term of employment thereunder shall refer to the term(s) provided hereinabove.

4. Substitution of Origin Bank; Change of Control. The parties acknowledge and agree that, by virtue of the Bank Merger, Origin Bank will be substituted as "the Bank" under the Employment Agreement and that the terms of Employment Agreement shall inure to the benefit of, and be fully enforceable by, Origin Bank. Additionally, the Executive may enforce the terms of the Employment Agreement against Origin Bank. All references in the Employment Agreement to "BHC" and "Bank" shall be replaced with "Origin" and "Origin Bank," respectively. The parties further acknowledge that the Merger constitutes a Change of Control pursuant to the Employment Agreement.

5. Continuing Effect. Except as expressly provided by this Amendment, all of the terms, provisions, conditions, covenants, agreements, representations and warranties contained in the Employment Agreement are not modified by this Amendment and continue in full force and effect as originally written. As hereby modified and amended, all of the terms and provisions of the Employment Agreement are ratified and confirmed.

6. Multiple Counterparts. For the convenience of the parties hereto, this Amendment may be executed in multiple counterparts, each of which shall be deemed an original, and all counterparts hereof so executed by the parties hereto, whether or not such counterpart shall bear the execution of each of the parties hereto, shall be deemed to be, and shall be construed as, one and the same Amendment. A facsimile or email transmission of a signed .pdf counterpart of this Amendment shall be sufficient to bind the party or parties whose signature(s) appear thereon.

7. Void Agreement. This Amendment terminates automatically, and is void and shall have no effect, in the event of and at the time of any termination of the Merger Agreement prior to consummation of the Merger.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties have caused this Amendment to be executed as of the date first above written.

BTH BANK, N.A.

By: /s/ Marshall W. Mitchell

Name: Marshall W. Mitchell

Title: Chairman of the Board

BT HOLDINGS, INC.

By: /s/ Marshall W. Mitchell

Name: Marshall W. Mitchell

Title: Chairman of the Board

EXECUTIVE

/s/ Lori Sirman
Name: Lori Sirman

AMENDMENT TO EMPLOYMENT AGREEMENT

THIS AMENDMENT TO EMPLOYMENT AGREEMENT (this "Amendment") is made and entered into as of this 27th day of May, 2022, by and among Jay Dyer (the "Executive"), BTH Bank, N.A., a national banking association ("BTH Bank"), and BT Holdings, Inc., a Texas corporation and the parent bank holding company for BTH Bank ("BTH").

WHEREAS, BTH and Origin Bancorp, Inc. ("Origin"), a Louisiana corporation and the parent bank holding company for Origin Bank, a Louisiana state-chartered bank ("Origin Bank"), entered into an Agreement and Plan of Merger dated February 24, 2022 (the "Merger Agreement") pursuant to which BTH will merge with and into Origin, with Origin surviving the merger (the "Merger");

WHEREAS, immediately following the Merger, BTH and Origin intend for BTH Bank to merge with and into Origin Bank (the "Bank Merger");

WHEREAS, Executive is a party to that certain Employment Agreement, dated October 3, 2013, with BTH Bank (the "Employment Agreement");

WHEREAS, in connection with and subject to the consummation of the Bank Merger, Origin Bank will be substituted for BTH under the Employment Agreement, and Origin will be substituted for BTH;

WHEREAS, to ensure the continued commitment of Executive following the consummation of the Merger and the Bank Merger, the Executive and BTH Bank desire to amend the Employment Agreement to reflect the Executive's position with Origin Bank beginning effective as of the date on which the Bank Merger occurs (the "Employment Date"), to specify a new employment term commencing on the Employment Date, and to reflect Origin Bank as the successor-in-interest to BTH Bank under the Employment Agreement;

NOW, THEREFORE, in consideration of the foregoing, and the other promises, covenants and benefits set forth in this Amendment, the parties agree as follows:

1. Appointment. As of the Employment Date, the Executive shall be employed as Executive Vice President of Origin Bank and shall faithfully devote the Executive's best efforts and the Executive's primary focus to the Executive's position(s) with Origin Bank. All references to the Executive's position, title, and duties in the Employment Agreement shall be deemed updated to be consistent herewith.

2. Compensation. The Executive's annual base salary on the Employment Date will be $400,000, appropriately prorated for a partial year. Origin Bank will periodically evaluate the Executive's base salary for increases, but not decreases, during the term of the Employment Agreement. The Executive will also be eligible for such incentive compensation and other benefits as may be made available to similarly-situated officers of Origin Bank.

3. Duration. The Employment Agreement shall, unless earlier terminated as provided therein, expire and terminate by its own terms two (2) years after the Employment Date; provided, however, that commencing on the expiration of such two-year term and each anniversary thereafter, the Employment Agreement shall be deemed to be automatically extended, upon the same terms and conditions, for successive periods of one (1) year each, unless either party elects to terminate the Employment Agreement by sending written notice to the other party of non-renewal at least thirty (30) days prior to the expiration of the then-current term. Both Origin Bank and the Executive acknowledge and agree that, upon expiration of the term of the Employment Agreement, the parties may agree to continue the employment relationship upon such terms as they may mutually agree. Both parties acknowledge and agree that, in the event the Employment Agreement does not renew, this Employment Agreement shall terminate automatically upon the expiration of the then current term without any additional liability or obligation on the part of either party, except as expressly provided herein. All references in the Employment Agreement to the term of employment thereunder shall refer to the term(s) provided hereinabove.

4. Substitution of Origin Bank; Change of Control. The parties acknowledge and agree that, by virtue of the Bank Merger, Origin Bank will be substituted as "the Bank" under the Employment Agreement and that the terms of Employment Agreement shall inure to the benefit of, and be fully enforceable by, Origin Bank. Additionally, the Executive may enforce the terms of the Employment Agreement against Origin Bank. All references in the Employment Agreement to "BHC" and "Bank" shall be replaced with "Origin" and "Origin Bank," respectively. The parties further acknowledge that the Merger constitutes a Change of Control pursuant to the Employment Agreement.

5. Continuing Effect. Except as expressly provided by this Amendment, all of the terms, provisions, conditions, covenants, agreements, representations and warranties contained in the Employment Agreement are not modified by this Amendment and continue in full force and effect as originally written. As hereby modified and amended, all of the terms and provisions of the Employment Agreement are ratified and confirmed.

6. Multiple Counterparts. For the convenience of the parties hereto, this Amendment may be executed in multiple counterparts, each of which shall be deemed an original, and all counterparts hereof so executed by the parties hereto, whether or not such counterpart shall bear the execution of each of the parties hereto, shall be deemed to be, and shall be construed as, one and the same Amendment. A facsimile or email transmission of a signed .pdf counterpart of this Amendment shall be sufficient to bind the party or parties whose signature(s) appear thereon.

7. Void Agreement. This Amendment terminates automatically, and is void and shall have no effect, in the event of and at the time of any termination of the Merger Agreement prior to consummation of the Merger.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties have caused this Amendment to be executed as of the date first above written.

BTH BANK, N.A.

By: /s/ Lori Sirman

Name: Lori Sirman

Title: President

BT HOLDINGS, INC.

By: /s/ Lori Sirman

Name: Lori Sirman

Title: Vice Chairman

EXECUTIVE

/s/ Jay Dyer
Name: Jay Dyer

ORIGIN BANCORP, INC.
ORIGIN BANK NONQUALIFIED DEFERRED COMPENSATION PLAN

This document is drafted with the intent that it comply with Internal Revenue Code Section 409A and regulations promulgated thereunder.

NFP Executive Benefits has provided you this specimen document strictly in its capacity as an employee benefits consulting firm and plan recordkeeper. NFP Executive Benefits does NOT provide legal, tax or accounting consultation or advice. It is NFP Executive Benefits' recommendation that you seek appropriately specialized professional consultation regarding the information and/or material contained herein.

Origin Bancorp, Inc.
Origin Bank Nonqualified Deferred Compensation Plan

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Origin Bancorp, Inc.
Origin Bank Nonqualified Deferred Compensation Plan

Origin Bancorp, Inc. hereby adopts this Origin Bank Nonqualified Deferred Compensation Plan (the "Plan") for the benefit of a select group of management or highly compensated employees. This Plan is an unfunded arrangement and is intended to be exempt from the participation, vesting, funding, and fiduciary requirements set forth in Title I of the Employee Retirement Income Security Act of 1974, as amended. It is intended to comply with Internal Revenue Code Section 409A.

Article 1 Definitions

1.1 Account

The sum of all the bookkeeping sub-accounts as may be established for each Participant as provided in Section 5.1 hereof.

1.2 Administrator

The Employer or individuals or an administrative committee appointed by the Employer shall serve as the Administrator of the Plan. The Administrator shall serve as the agent for the Employer with respect to the Trust.

1.3 Board

The Board of Directors of the Employer.

1.4 Bonus

Compensation which is designated as such by the Employer and which relates to services performed during an incentive period by an Eligible Employee in addition to his or her Salary, including any pretax elective deferrals from said Bonus to any Employer sponsored plan that includes amounts deferred under a Deferral Election or any elective deferral as defined in Code Section 402(g)(3) or any amount contributed or deferred at the election of the Eligible Employee in accordance with Code Section 125 or 132(f)(4).

1.5 Change-in-Control

Provided that such term shall be interpreted within the meaning of regulations promulgated under Code Section 409A, a "Change-in-Control" of the Employer (which, for purpose of this Section 1.5 shall mean Origin Bancorp, Inc. but not any of its affiliates or subsidiaries) shall mean the first to occur of any of the following:

(a) the date that any one person or persons acting as a group acquires ownership of Employer stock constituting more than fifty percent (50%) of the total fair market value or total voting power of the Employer;

(b) the date that any one person or persons acting as a group acquires (or has acquired during the 12-month period ending on the date of the most recent acquisition by such person or persons) ownership of the stock of the Employer possessing thirty percent (30%) or more of the total voting power of the stock of the Employer;

(c) the date that any one person or persons acting as a group acquires (or has acquired during the 12-month period ending on the date of the most recent acquisition by such person or persons) assets from the Employer that have a total gross fair market value equal to or more than forty percent (40%) of the total gross fair market value of all of the assets of the Employer immediately prior to such acquisition; or

(d) the date that a majority of members of the Employer's Board is replaced during any 12- month period by directors whose appointment or election is not endorsed by a majority of the members of the Board prior to the date of the appointment or elections.

1.6 Code

The Internal Revenue Code of 1986, as amended.

1.7 Compensation

The Participant's earned income, including Salary, Bonus, and other remuneration from the Employer as may be included by the Administrator.

1.8 Deferrals

The portion of Compensation that a Participant elects to defer in accordance with Section 3.1 hereof.

1.9 Deferral Election

The separate agreement, submitted to the Administrator, by which an Eligible Employee agrees to participate in the Plan and make Deferrals thereto.

1.10 Disability

Provided that such term shall be interpreted within the meaning of regulations promulgated under Code Section 409A, a Participant shall be considered to have incurred a Disability if: (i) the Participant is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than 12 months; (ii) the Participant is, by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than 12 months, receiving income replacement benefits for a period of not less than 3 months under an accident and health plan covering employees of the Participant's Employer; or (iii) determined to be totally disabled by the Social Security Administration.

1.11 Effective Date

December 8, 2022.

1.12 Eligible Employee

An Employee shall be considered an Eligible Employee if such Employee is a member of a "select group of management or highly compensated employees," within the meaning of Sections 201, 301 and 401 of ERISA, and such Employee is employed as (fill in job categories or positions as appropriate). The Administrator may at any time, in its sole discretion, change the eligible criteria for an Eligible Employee or determine that one or more Participants will cease to be an Eligible Employee. The designation of an Employee as an Eligible Employee in any year shall not confer upon such Employee any right to be designated as an Eligible Employee in any future Plan Year.

1.13 Employee

Any person employed by the Employer.

1.14 Employer

Origin Bancorp, Inc. and its subsidiaries and affiliates.

1.15 Employer Discretionary Contribution

A discretionary contribution made by the Employer that is credited to one or more Participant's Accounts in accordance with the terms of Section 3.6 hereof.

1.16 ERISA

The Employee Retirement Income Security Act of 1974, as amended.

1.17 Investment Fund

Each investment(s) which serves as a means to measure value, increases or decreases with respect to a Participant's Accounts.

1.18 Participant

An Eligible Employee who is a Participant as provided in Article 2.

1.19 Plan Year

For the initial Plan Year, Effective Date through December 31, 2022. For each year thereafter, January 1 through December 31.

1.20 Retirement

Retirement shall mean a Participant's Separation from Service on, or subsequent to, the Participant's attaining age sixty-five (65).

1.21 Salary

An Eligible Employee's base salary earned during a Plan Year, including any pretax elective deferrals from said Salary to any Employer sponsored plan that includes amounts deferred under a Deferral Election or any elective deferral as defined in Code Section 402(g)(3) or any amount contributed or deferred at the election of the Eligible Employee in accordance with Code Section 125 or 132(f)(4).

1.22 Separation from Service

Provided that such term shall be interpreted within the meaning of regulations promulgated under Code Section 409A, a Participant shall incur a Separation from Service with the Service Recipient due to death, retirement or other termination of employment with the Service Recipient unless the employment relationship is treated as continuing intact while the individual is on military leave, sick leave, or other bona fide leave of absence if the period of such leave does not exceed six months, or if longer, so long as the individual retains a right to reemployment with the Service Recipient under an applicable statute or by contract. Upon a sale or other disposition of the assets of the Employer to an unrelated purchaser, the Administrator reserves the right, to the extent permitted by Code section 409A to determine whether Participants providing services to the purchaser after and in connection with the purchase transaction have experienced a Separation from Service.

1.23 Service Recipient

Provided that such term shall be interpreted within the meaning of regulations promulgated under Code Section 409A, Service Recipient shall mean the Employer or person for whom the services are performed and with respect to whom the legally binding right to compensation arises, and all persons with whom such person would be considered a single employer under Code Section 414(b) (employees of controlled group of corporations), and all persons with whom such person would be considered a single employer under Code Section 414(c) (employees of partnerships, proprietorships, etc., under common control).

1.24 Specified Employee

Provided that such term shall be interpreted within the meaning of regulations promulgated under Code Section 409A, a "Specified Employee" shall mean a participant who is considered a key employee on the Identification Date, as defined in Code Section 416(i) without regard to section 416(i)(5) and such other requirements imposed under Code Section 409A(a)(2)(B)(i) and regulations thereunder for the period beginning April 1 of the year subsequent to the Identification Date and ending March 31 of the following year. The Identification Date for this Plan is December 31 of each year. Notwithstanding anything to the contrary, a Participant is not a Specified Employee unless any stock of the Service Recipient is publicly traded on an established securities market or otherwise.

1.25 Trust

The agreement between the Employer and the Trustee under which the assets of the Plan are held, administered and managed, which shall conform to the terms of Rev. Proc. 92-64.

1.26 Trustee

Reliance Trust Company, or such other successor that shall become trustee pursuant to the terms of the Plan.

1.27 Years of Contribution

The twelve (12) month period commencing with the date the contribution is credited to the plan and anniversaries thereof.

1.28 Years of Service

A Participant's "Years of Service" shall be measured by employment during a twelve (12) month period commencing with the Participant's date of hire and anniversaries thereof.

Article 2 Participation

2.1 Commencement of Participation

Each Eligible Employee shall become a Participant at the earlier of the date on which his or her Deferral Election first becomes effective or the date on which an Employer Discretionary Contribution is first credited to his or her Account.

2.2 Loss of Eligible Employee Status

A Participant who is no longer an Eligible Employee shall not be permitted to submit a Deferral Election and all Deferrals for such Participant shall cease as of the end of the year in which such Participant is determined to no longer be an Eligible Employee. Amounts credited to the Account of a Participant who is no longer an Eligible Employee shall continue to be held pursuant to the terms of the Plan and shall be distributed as provided in Article 6.

Article 3 Contributions

3.1 Deferral Elections - General

A Participant's Deferral Election for a Plan Year is irrevocable for that applicable Plan Year; provided, however that a cessation of Deferrals shall be allowed if required by the terms of the Employer's qualified 401(k) plan in order for the Participant to obtain a hardship withdrawal from the 401(k) plan, or if required under Section 6.9 (Unforeseeable Emergency) of this Plan. Such amounts deferred under the Plan shall not be made available to such Participant, except as provided in Article 6, and shall reduce such Participant's Compensation from the Employer in accordance with the provisions of the applicable Deferral Election; provided, however, that all such amounts shall be subject to the rights of the general creditors of the Employer as provided in Article 8. The Deferral Election, in addition to the requirements set forth below, must designate: (i) the amount of Compensation to be deferred, (ii) the time of the distribution, and (iii) the form of the distribution.

3.2 Time of Election

A Deferral Election shall be void if it is not made in a timely manner as follows:

(a) A Deferral Election with respect to any Compensation must be submitted to the Administrator before the beginning of the calendar year during which the amount to be deferred will be earned. As of December 31 of each calendar year, said Deferral Election is irrevocable for the calendar year.

(b) Notwithstanding the foregoing and in the discretion of the Employer, in a year in which an Employee is first eligible to participate, and provided that such Employee is not eligible to participate in any other similar account balance arrangement subject to Code Section 409A, such Deferral Election shall be submitted within thirty (30) days after the date on which an Employee is first eligible to participate, and such Deferral Election shall apply to Compensation to be earned during the remainder of the calendar year after such election is made.

3.3 Distribution Elections

At the time a Participant makes a Deferral Election, he or she must also elect the time and form of the distribution by establishing one or more In-Service Account or Separation Account(s) as provided in Sections 5.1 and 6.1. If the Participant fails to properly designate the time and form of a distribution, the Participant's Account shall be designated as a Separation Account and shall be paid in a lump sum.

3.4 Additional Requirements

The Deferral Election, subject to the limitations set forth in Sections 3.1 and 3.2 hereof, shall comply with the following additional requirements, or as otherwise required by the Administrator in its sole discretion:

(a) Deferrals may be made in whole percentages or stated dollar amounts as determined by the Administrator.

(b) The maximum amount that may be deferred each Plan Year is fifty percent (50%) of the Participant's Salary, and one-hundred percent (100%) of the Participant's Bonus, net of applicable taxes.

(c) The distribution year for an In-Service Account must be at least five (5) Plan Years after the Plan Year in which such Deferral is credited to an In-Service subaccount.

3.5 Cancellation of Deferral Election due to Disability

Notwithstanding anything to the contrary, if a Participant incurs a disability as defined in this Section 3.5, said Participant may file an election to stop Deferrals as of the date the election is received by the Administrator, provided that such cancellation occurs by the later of the end of the calendar year or the 15th day of the third month following the date the Participant incurs a disability. Disability for purposes of this Section 3.5 only means that a Participant incurs a medically determinable physical or mental impairment resulting in the Participant's inability to perform the duties of his or her position or any substantially similar position, where such impairment can be expected to result in death or can be expected to last for a continuous period of not less than six months, as determined by the Administrator in its sole discretion.

3.6 Employer Discretionary Contribution

The Employer may make Employer Discretionary Contributions to some or all Participants' Accounts in such amount and in such manner as may be determined by the Employer. Such Employer Discretionary Contributions, at the option of the Employer, shall be credited to such sub-account as may be elected by the Participant in accordance with Sections 3.1 and 5.1 and procedures established by the Administrator. In the event no such election is made by the Participant or if Employer desires to direct Employer Discretionary Contributions to a particular Participant sub-account, the Employer, in its sole discretion, may determine which sub-account will be credited with such Employer Discretionary Contributions. In the event the Employer does not designate which Participant sub-account shall be credited, such Employer Discretionary Contributions shall be credited to a lump-sum Separation sub- account.

Article 4 Vesting

4.1 Vesting of Deferrals

A Participant shall be one-hundred percent (100%) vested in his or her Account attributable to Deferrals and any earning or losses on the investment of such Deferrals.

4.2 Vesting of Employer Discretionary Contributions

A Participant shall have a vested right to the portion of his or her Account attributable to Employer Discretionary Contribution(s) and any earnings or losses on the investment of such Employer Discretionary Contribution(s) according to such vesting schedule as the Employer shall determine at the time an Employer Discretionary Contribution is made. In the event the Employer fails to provide a vesting schedule for a particular Employer Discretionary Contribution, such Employer Discretionary Contribution shall fully vest in accordance with the following schedule:

Years of Contribution	Vested Percentage
Less than one (1) year	0%
At least one (1) but less than two (2) years	20%
At least two (2) but less than three (3) years	40%
At least three (3) but less than four (4) years	60%
At least four (4) but less than five (5) years	80%
Five (5) or more years	100%

4.3 Vesting due to Certain Events

(a) A Participant who incurs a Disability shall be fully vested in the amounts credited to his or her Account as of the date of Disability.

(b) Upon a Participant's death, the Participant shall be fully vested in the amounts credited to his or her Account.

(c) A Participant who incurs Retirement shall be fully vested in the amounts credited to his or her Account as of the date of Retirement.

(d) Upon a Change-in-Control, all Participants shall be fully vested in the amounts credited to their Accounts as of the date of the Change-in-Control.

4.4 Amounts Not Vested

Any amounts credited to a Participant's Account that are not vested at the time of a distribution event / his or her Separation from Service shall be forfeited.

4.5 Forfeitures

At the discretion of the Employer, any forfeitures from a Participant's Account (i) may continue to be held in the Trust, may be separately invested, and may be used to reduce succeeding Deferrals and any Employer Contributions, or (ii) may be returned to the Employer as soon as administratively feasible.

Article 5 Accounts

5.1 Accounts

The Administrator shall establish and maintain a bookkeeping account in the name of each Participant. The Administrator shall also establish sub-accounts as provided in subsection (a) and (b), below, as elected by the Participant pursuant to Article 3.

(a) A Participant may establish one or more Separation sub-accounts by designating as such on the Participant's Deferral Election. Each Participant's Separation sub-account shall be credited with Deferrals (as specified in the Participant's Deferral Election), any Employer Discretionary Contributions, and the Participant's allocable share of any earnings or losses on the foregoing. Each Participant's Separation sub-account shall be reduced by any distributions made plus any federal and state tax withholding, and any social security withholding tax as may be required by law.

(b) A Participant may elect to establish one or more In-Service sub-accounts by designating as such in the Participant's Deferral Election the year in which payment shall be made. Each Participant's In-Service sub-account shall be credited with Deferrals (as specified in the Participant's Deferral Election), any Employer Discretionary Contributions, and the Participant's allocable share of any earnings or losses on the foregoing. Each Participant's In-Service sub-account shall be reduced by any distributions made plus any federal and state tax withholding and any social security withholding tax as may be required by law.

5.2 Investments, Gains and Losses

(a) A Participant may direct that his or her Separation sub-accounts and or In-Service sub- accounts established pursuant to Section 5.1 be valued as if they were invested in one or more Investment Funds as selected by the Employer in multiples of one percent (1%). The Employer may from time to time, at the discretion of the Administrator, change the Investment Funds for purposes of this Plan.

(b) The Administrator shall adjust the amounts credited to each Participant's Account to reflect Deferrals, any Employer Discretionary Contributions, investment experience, distributions and any other appropriate adjustments. Such adjustments shall be made as frequently as is administratively feasible.

(c) A Participant may change his or her selection of Investment Funds with respect to his or her Account or sub-accounts by filing a new election in accordance with procedures established by the Administrator. An election shall be effective as soon as administratively feasible following the date the change is submitted on a form prescribed by the Administrator.

(d) Notwithstanding the Participant's ability to designate the Investment Fund in which his or her deferred Compensation shall be deemed invested, the Employer shall have no obligation to invest any funds in accordance with the Participant's election. Participants' Accounts shall merely be bookkeeping entries on the Employer's books, and no Participant shall obtain any property right or interest in any Investment Fund.

Article 6 Distributions

6.1 Distribution Election

Each Participant shall designate in his or her Deferral Election the form and timing of his or her distribution by indicating the type of sub-account as described under Section 5.1, and by designating the form in which payments shall be made from the choices available under Section 6.2 and 6.3 hereof. Notwithstanding anything to the contrary contained herein provided, no acceleration of the time or schedule of payments under the Plan shall occur except as permitted under both this Plan and Code Section 409A.

6.2 Distributions upon an In-Service Account Triggering Date

In-Service sub-account distributions of all vested amounts shall begin as soon as administratively feasible but no later than ninety (90) days following June 1 of the calendar year designated by the Participant on a properly submitted Deferral Election, and are payable in either a lump-sum payment or substantially equal annual installments, as described in Section 6.4 below, over a period of up to five (5) years as elected by the Participant in his or her Deferral Election. If the Participant fails to designate the form of the distribution, the sub-account shall be paid in a lump-sum payment.

6.3 Distributions upon a Separation from Service

If the Participant has a Separation from Service, the vested amount of the Participant's Separation sub-account shall be distributed as soon as administratively feasible but no later than ninety (90) days following the Participant's Separation from Service, subject to Section 6.10 (Distributions to Specified Employees). Distribution shall be made either in a lump-sum payment or in substantially equal annual installments, as defined in Section 6.4 below, over a period of up to ten (10) years as elected by the Participant. If the Participant fails to designate the form of the distribution, the sub-account shall be paid in a lump-sum payment. If a Participant has any In-Service sub-accounts at the time of his or her Separation from Service, said sub-accounts shall be distributed in a lump sum as soon as administratively feasible but no later than ninety (90) days following Participant's Separation from Service, subject to Section 6.10 (Distributions to Specified Employees).

6.4 Substantially Equal Annual Installments

(a) The amount of the substantially equal payments of all vested amounts shall be determined by multiplying the Participant's Account or sub-account by a fraction, the denominator of which in the first year of payment equals the number of years over which benefits are to be paid, and the numerator of which is one (1). The amounts of the payments for each succeeding year shall be determined by multiplying the Participant's Account or sub-account as of the applicable anniversary of the payout by a fraction, the denominator of which equals the number of remaining years over which benefits are to be paid, and the numerator of which is one (1). Installment payments made pursuant to this Section 6.4 shall be made as soon as administratively feasible but no later than ninety (90) days following the anniversary of the distribution event, subject to Section 6.10 (Distributions to Specified Employees).

(b) For purposes of the Plan pursuant to Code Section 409A and regulations thereunder, a series of annual installments from a particular subaccount shall be considered a single payment.

6.5 Distributions due to Disability

Upon a Participant's Disability, all vested amounts credited to his or her Account shall be paid to the Participant in a lump sum as soon as administratively feasible but no later than ninety (90) days following the date of Disability.

6.6 Distributions upon Death

Upon the death of a Participant, all vested amounts credited to his or her Account shall be paid, as soon as administratively feasible but no later than ninety (90) days following Participant's date of death, to his or her beneficiary or beneficiaries, as determined under Article 7 hereof, in a lump sum.

6.7 Changes to Distribution Elections

A Participant will be permitted to elect to change the form or timing of the distribution of the balance of his or her one or more sub-accounts within his or her Account to the extent permitted and in accordance with the requirements of Code Section 409A(a)(4)(C), including the requirement that (i) a redeferral election may not take effect until at least twelve (12) months after such election is filed with the Employer, (ii) an election to further defer a distribution (other than a distribution upon death, Disability or an unforeseeable emergency) must result in the first distribution subject to the election being made at least five (5) years after the previously elected date of distribution, and (iii) any redeferral election affecting a distribution at a fixed date must be filed with the Employer at least twelve (12) months before the first scheduled payment under the previous fixed date distribution election.

6.8 Acceleration or Delay in Payments

To the extent permitted by Code Section 409A, and notwithstanding any provision of the Plan to the contrary, the Administrator, in its sole discretion, may elect to (i) accelerate the time or form of payment of all vested amounts of a benefit owed to a Participant hereunder in accordance with the terms and subject to the conditions of Treasury Regulations Section 1.409A-3(j)(4), or (ii) delay the time of payment of a benefit owed to a Participant hereunder in accordance with the terms and subject to the conditions of Treasury Regulations Section 1.409A-2(b)(7).

6.9 Unforeseeable Emergency

The Administrator may permit an early distribution of part or all of any deferred amounts; provided, however, that such distribution shall be made only if the Administrator, in its sole discretion, determines that the Participant, or the Participant's beneficiary, has experienced an Unforeseeable Emergency. An Unforeseeable Emergency is defined as a severe financial hardship resulting from an illness or accident of the Participant, the Participant's spouse, the Participant's beneficiary, or a dependent (as defined in Code Section 152(a)) of the Participant, loss of the Participant's property due to casualty or other similar extraordinary and unforeseeable circumstances arising as a result of events beyond the control of the Participant. If an Unforeseeable Emergency is determined to exist, a distribution may not exceed the amounts necessary to satisfy such emergency plus amounts necessary to pay taxes reasonably anticipated as a result of the distribution, after taking into account the extent to which such hardship is or may be relieved through reimbursement or compensation by insurance or otherwise or by liquidation of the Participant's assets (to the extent the liquidation of such assets would not itself cause severe financial hardship). Upon a distribution to a Participant under this Section 6.9, the Participant's Deferrals shall cease and no further Deferrals shall be made for such Participant for the remainder of the Plan Year.

6.10 Distributions to Specified Employee

Notwithstanding anything herein to the contrary, if any Participant is a Specified Employee upon a Separation from Service for any reason other than death, distributions of all vested amounts to such Participant shall commence no earlier than six months following Separation from Service (or, if earlier, the date of death of the Participant) and no later than nine months following Separation from Service. If distributions are to be made in annual installments, the second installment and all those thereafter will be made on the applicable anniversaries of the date on which the Participant's initial installment was payable.

6.11 Minimum Distribution

Notwithstanding any provision to the contrary, if the vested balance of a Participant's Account or sub-account at the time of a distribution event is $25,000 or less, then the Participant shall be paid his or her Account or sub-account as a single lump sum.

6.12 Form of Payment

All distributions shall be made in the form of cash.

6.13 Separation from Service for Cause

Notwithstanding anything to the contrary contained herein, in the event the Participant has an involuntary Separation from Service for Cause, Participant shall only receive the return of his or her Deferrals including the Participant's allocable share of any earnings or losses credited on those Deferrals pursuant to Section 5.2 and subject to Section 6.10 (Distributions to Specified Employees) above. Upon a Participant's Separation from Service for Cause, all amounts credited to Participant's Account amounts relating to Employer Discretionary Contributions, including the Participant's allocable share of any earnings or losses credited on the foregoing pursuant to Section 5.2, above, shall be forfeited back to the Employer. For purposes of this Plan, "Cause" shall mean (i) Grantee's commission of an act of fraud, embezzlement or other act of dishonesty that would reflect adversely on the integrity, character, or reputation of the Company or an Affiliate, or that would cause harm to customer relations, operations, or business; (ii) Grantee's breach of fiduciary duty owed to the Company or an Affiliate; (iii) Grantee's unauthorized disclosure or use of confidential information or trade secrets; (iv) Grantee's conviction of a felony or conviction of a misdemeanor which materially impairs Grantee's ability substantially to perform his duties; or (v) Grantee's neglect or misconduct in the performance of duties and responsibilities, which is not cured within ten(10) days after the Company or an Affiliate gives Grantee written notice of such neglect or misconduct.

Article 7 Beneficiaries

7.1 Beneficiaries

Each Participant may from time to time designate one or more persons (who may be any one or more members of such person's family or other persons, administrators, trusts, foundations or other entities) as his or her beneficiary under the Plan. Such designation shall be made in a form prescribed by the Administrator. Each Participant may at any time and from time to time, change any previous beneficiary designation, without notice to or consent of any previously designated beneficiary, by amending his or her previous designation in a form prescribed by the Administrator. If the beneficiary does not survive the Participant (or is otherwise unavailable to receive payment) or if no beneficiary is validly designated, then the amounts payable under this Plan shall be paid to the Participant's surviving spouse, or if no surviving spouse to the Participant's estate. If more than one person is the beneficiary of a deceased Participant, each such person shall receive a pro rata share of any death benefit payable unless otherwise designated in the applicable form. If a beneficiary who is receiving benefits dies, all benefits that were payable to such beneficiary shall then be payable to the estate of that beneficiary.

7.2 Lost Beneficiary

All Participants and beneficiaries shall have the obligation to keep the Administrator informed of their current address until such time as all benefits due have been paid. If a Participant or beneficiary cannot be located by the Administrator exercising due diligence, then, in its sole discretion, the Administrator may presume that the Participant or beneficiary is deceased for purposes of the Plan and all unpaid amounts (net of due diligence expenses) owed to the Participant or beneficiary shall be paid accordingly or, if a beneficiary cannot be so located, then such amounts may be forfeited. Any such presumption of death shall be final, conclusive and binding on all parties.

Article 8 Funding

8.1 Prohibition against Funding

Should any investment be acquired in connection with the liabilities assumed under this Plan, it is expressly understood and agreed that the Participants and beneficiaries shall not have any right with respect to, or claim against, such assets nor shall any such purchase be construed to create a trust of any kind or a fiduciary relationship between the Employer and the Participants, their beneficiaries or any other person. Any such assets shall be and remain a part of the general, unpledged, unrestricted assets of the Employer, subject to the claims of its general creditors. It is the express intention of the parties hereto that this arrangement shall be unfunded for tax purposes and for purposes of Title I of the ERISA. Each Participant and beneficiary shall be required to look to the provisions of this Plan and to the Employer itself for enforcement of any and all benefits due under this Plan, and to the extent any such person acquires a right to receive payment under this Plan, such right shall be no greater than the right of any unsecured general creditor of the Employer. The Employer or the Trust shall be designated the owner and beneficiary of any investment acquired in connection with its obligation under this Plan.

8.2 Deposits in Trust

Notwithstanding Section 8.1, or any other provision of this Plan to the contrary, the Employer may deposit into the Trust any amounts it deems appropriate to pay the benefits under this Plan. The amounts so deposited may include all contributions made pursuant to a Deferral Election by a Participant any Employer Discretionary Contributions.

8.3 Withholding of Employee Contributions

The Administrator is authorized to make any and all necessary arrangements with the Employer in order to withhold the Participant's Deferrals under Section 3.1 hereof from his or her Compensation. The Administrator shall determine the amount and timing of such withholding.

Article 9 Claims Administration

If the Participant, Beneficiary or his or her representative is denied all or a portion of an expected benefit for any reason and the Participant, Beneficiary or his or her representative desires to dispute the decision of the Administrator, he or she must file a written notification of his or her claim with the Administrator. The Plan, being established as a “top-hat plan” within the meaning of DOL Reg. §2520.104- 23, requires all claims for benefits hereunder be made pursuant to those claims procedure requirements under DOL Reg. §2560.503-1, as amended from time to time. Participant, Beneficiary or his or her representative may file with the Administrator a written claim for benefits, if the Participant, beneficiary or his or her representative disputes the Administrator’s determination regarding a benefit. The Administrator under this Article 9 will provide a separate written document to Participant, Beneficiary or his or her representative explaining the Plan’s claims procedures and which by this reference is incorporated into the Plan. Such documentation shall be written in manner that is in a culturally and linguistically appropriate manner to the party receiving the documentation.

Article 10 General Provisions

10.1 Administrator

(a) The Administrator is expressly empowered to limit the amount of Compensation that may be deferred; to deposit amounts into the Trust in accordance with Section 8.2 hereof; to interpret the Plan, and to determine all questions arising in the administration, interpretation and application of the Plan; to employ actuaries, accountants, counsel, and other persons it deems necessary in connection with the administration of the Plan; to request any information from the Employer it deems necessary to determine whether the Employer would be considered insolvent or subject to a proceeding in bankruptcy; and to take all other necessary and proper actions to fulfill its duties as Administrator.

(b) The Administrator shall not be liable for any actions by it hereunder, unless due to its own negligence, willful misconduct or lack of good faith.

(c) The Administrator shall be indemnified and saved harmless by the Employer from and against all personal liability to which it may be subject by reason of any act done or omitted to be done in its official capacity as Administrator in good faith in the administration of the Plan and Trust, including all expenses reasonably incurred in its defense in the event the Employer fails to provide such defense upon the request of the Administrator. The Administrator is relieved of all responsibility in connection with its duties hereunder to the fullest extent permitted by law, short of breach of duty to the beneficiaries.

10.2 No Assignment

Benefits or payments under this Plan shall not be subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, attachment, or garnishment by creditors of the Participant or the Participant’s beneficiary, whether voluntary or involuntary, and any attempt to so anticipate, alienate,sell, transfer, assign, pledge, encumber, attach or garnish the same shall not be valid, nor shall any such benefit or payment be in any way liable for or subject to the debts, contracts, liabilities, engagement or torts of any Participant or beneficiary, or any other person entitled to such benefit or payment pursuant to the terms of this Plan, except to such extent as may be required by law. If any Participant or beneficiary or any other person entitled to a benefit or payment pursuant to the terms of this Plan becomes bankrupt or attempts to anticipate, alienate, sell, transfer, assign, pledge, encumber, attach or garnish any benefit or payment under this Plan, in whole or in part, or if any attempt is made to subject any such benefit or payment, in whole or in part, to the debts, contracts, liabilities, engagements or torts of the Participant or beneficiary or any other person entitled to any such benefit or payment pursuant to the terms of this Plan, then such benefit or payment, in the discretion of the Administrator, shall cease and terminate with respect to such Participant or beneficiary, or any other such person.

10.3 No Employment Rights

Participation in this Plan shall not be construed to confer upon any Participant the legal right to be retained in the employ of the Employer, or give a Participant or beneficiary, or any other person, any right to any payment whatsoever, except to the extent of the benefits provided for hereunder. Each Participant shall remain subject to discharge to the same extent as if this Plan had never been adopted.

10.4 Incompetence

If the Administrator determines that any person to whom a benefit is payable under this Plan is incompetent by reason of physical or mental disability, the Administrator shall have the power to cause the payments becoming due to such person to be made to another for his or her benefit without responsibility of the Administrator or the Employer to see to the application of such payments. Any payment made pursuant to such power shall, as to such payment, operate as a complete discharge of the Employer, the Administrator and the Trustee.

10.5 Identity

If, at any time, any doubt exists as to the identity of any person entitled to any payment hereunder or the amount or time of such payment, the Administrator shall be entitled to hold such sum until such identity or amount or time is determined or until an order of a court of competent jurisdiction is obtained. The Administrator shall also be entitled to pay such sum into court in accordance with the appropriate rules of law. Any expenses incurred by the Employer, Administrator, and Trust incident to such proceeding or litigation shall be charged against the Account of the affected Participant.

10.6 Other Benefits

The benefits of each Participant or beneficiary hereunder shall be in addition to any benefits paid or payable to or on account of the Participant or beneficiary under any other pension, disability, annuity or retirement plan or policy whatsoever.

10.7 Expenses

All expenses incurred in the administration of the Plan, whether incurred by the Employer or the Plan, shall be paid by the Employer.

10.8 Insolvency

Should the Employer be considered insolvent (as defined by the Trust), the Employer, through its Board and chief executive officer, shall give immediate written notice of such to the Administrator of the Plan and the Trustee. Upon receipt of such notice, the Administrator or Trustee shall cease to make any payments to Participants who were Employees of the Employer or their beneficiaries and shall hold any and all assets attributable to the Employer for the benefit of the general creditors of the Employer.

10.9 Amendment or Modification

The Employer may, at any time, in its sole discretion, amend or modify the Plan in whole or in part, except that no such amendment or modification shall have any retroactive effect to reduce any amounts allocated to a Participant’s Accounts, and provided that such amendment or modification complies with Code Section 409A and related regulations thereunder.

10.10 Plan Suspension

The Employer further reserves the right to suspend the Plan in whole or in part, except that no such suspension shall have any retroactive effect to reduce any amounts allocated to a Participant’s Accounts, and provided that the distribution of the vested Participant Accounts shall not be accelerated but shall be paid at such time and in such manner as determined under the terms of the Plan immediately prior to suspension as if the Plan had not been suspended.

10.11 Plan Termination

The Employer further reserves the right to terminate the Plan in whole or in part, in the following manner, except that no such termination shall have any retroactive effect to reduce any amounts allocated to a Participant’s Accounts, and provided that such termination complies with Code Section 409A and related regulations thereunder:

(a) The Employer, in its sole discretion, may terminate the Plan and distribute all vested Participants' Accounts no earlier than twelve (12) calendar months from the date of the Plan termination and no later than twenty-four (24) calendar months from the date of the Plan termination, provided however that all other similar arrangements are also terminated by the Employer for any affected Participant and no other similar arrangements are adopted by the Employer for any affected Participant within a three (3) year period from the date of termination; or

(b) The Employer may decide, in its sole discretion, to terminate the Plan in the event of a corporate dissolution taxed under Code Section 331, or with the approval of a bankruptcy court, provided that the Participants vested Account balances are distributed to Participants and are included in the Participants' gross income in the latest of: (i) the calendar year in which the termination occurs; (ii) the calendar year in which the amounts deferred are no longer subject to a substantial risk of forfeiture; or (iii) the first calendar year in which payment is administratively practicable.

10.12 Plan Termination due to a Change-in-Control

The Employer may decide, in its discretion, to terminate the Plan in the event of a Change-in- Control and distribute all vested Participants Account balances no earlier than thirty (30) days prior to the Change-in-Control and no later than twelve (12) months after the effective date of the Change-in-Control, provided however that the Employer terminates all other similar arrangements for any affected Participant.

10.13 Construction

All questions of interpretation, construction or application arising under or concerning the terms of this Plan shall be decided by the Administrator, in its sole and final discretion, whose decision shall be final, binding and conclusive upon all persons.

10.14 Governing Law

This Plan shall be governed by, construed and administered in accordance with the applicable provisions of ERISA, Code Section 409A, and any other applicable federal law, provided, however, that to the extent not preempted by federal law this Plan shall be governed by, construed and administered under the laws of the State of Louisiana, other than its laws respecting choice of law.

10.15 Severability

If any provision of this Plan is held invalid or unenforceable, its invalidity or unenforceability shall not affect any other provision of this Plan and this Plan shall be construed and enforced as if such provision had not been included therein. If the inclusion of any Employee (or Employees) as a Participant under this Plan would cause the Plan to fail to comply with the requirements of sections 201(2), 301(a)(3) and 401(a)(1) of ERISA, then the Plan shall be severed with respect to such Employee or Employees, who shall be considered to be participating in a separate arrangement.

10.16 Headings

The Article headings contained herein are inserted only as a matter of convenience and for reference and in no way define, limit, enlarge or describe the scope or intent of this Plan nor in any way shall they affect this Plan or the construction of any provision thereof.

10.17 Terms

Capitalized terms shall have meanings as defined herein. Singular nouns shall be read as plural, masculine pronouns shall be read as feminine, and vice versa, as appropriate.

10.18 Code Section 409A Fail Safe Provision

If any provision of this Plan violates Code Section 409A, the regulations promulgated thereunder, regulatory interpretations, announcements or mandatory judicial precedent construing Code Section 409A (collectively "Applicable Law"), then such provision shall be void and have no effect. At all times, this Plan shall be interpreted in such manner that it complies with Applicable Law.

10.19 No Guarantee of Tax Consequences

While the Plan is intended to provide tax deferral for Participants, the Plan is not a guarantee that the intended tax deferral will be achieved. Participants are solely responsible and liable for the satisfaction of all taxes and penalties that may arise in connection with this Plan (including any taxes arising under Section 409A of the Code). Neither the Employer nor any of its directors, officers or employees shall have any obligation to indemnify or otherwise hold any Participant harmless from any such taxes.

10.20 Limitation on Actions

Any Participant or Beneficiary who disagrees with a denial of his appealed claim under Article 9 of this Plan must file any complaint in a federal District Court to dispute such determination (a) within three (3) years of the earlier of the date on which such claim for benefits first accrued or arose under the terms of the Plan, or (b) within one (1) year after the such claim was denied upon appeal or deemed denied under Article 9 hereof.

10.21 Right of Setoff

The Employer may, to the extent permitted by applicable law, deduct from and setoff against any amounts payable to a Participant from this Plan such amounts as may be owed by a Participant to the Employer, although the Participant shall remain liable for any part of the Participant's payment obligation not satisfied through such deduction and setoff; provided, however, that this setoff may occur only at the date on which the amount would otherwise be distributed to the Participant as required by Code Section 409A. By electing to participate in the Plan and deferring compensation hereunder, the Participant agrees to any deduction or setoff under this Section 10.21, which is allowed by law.

IN WITNESS WHEREOF, Origin Bancorp, Inc. has caused this instrument to be executed by its duly authorized officer, effective as of this 8th day of December 2022

ORIGIN BANCORP, INC.

By: /s/ Ashlea Price

Name: Ashlea Price

Title: Chief Human Resources Officer, EVP

Exhibit 10.38

ORIGIN BANCORP, INC.
ORIGIN BANK LONG TERM EQUITY DEFERRED COMP PLAN

This document is drafted with the intent that it comply with Internal Revenue Code Section 409A and regulations promulgated thereunder.

NFP Executive Benefits has provided you this specimen document strictly in its capacity as an employee benefits consulting firm and plan record keeper. NFP Executive Benefits does NOT provide legal, tax or accounting consultation or advice. It is NFP Executive Benefits' recommendation that you seek appropriately specialized professional consultation regarding the information and/or material contained herein.

Origin Bancorp, Inc.
Origin Bank Long Term Equity Deferred Comp Plan

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Origin Bancorp, Inc.
Origin Bank Long Term Equity Deferred Comp Plan

Origin Bancorp, Inc. hereby adopts this Origin Bank Long Term Equity Deferred Comp Plan (the "Plan") for the benefit of a select group of management or highly compensated employees. This Plan is an unfunded arrangement and is intended to be exempt from the participation, vesting, funding, and fiduciary requirements set forth in Title I of the Employee Retirement Income Security Act of 1974, as amended. It is intended to comply with Internal Revenue Code Section 409A. This Plan does not constitute a separate source of shares and all deferred share issuances will come from the 2012 stock incentive plan or any other subsequent equity incentive plan adopted by the Board**.**

Article 1 Definitions

1.1 Account

The sum of all the bookkeeping sub-accounts as may be established for each Participant as provided in Section 5.1 hereof.

1.2 Administrator

The Employer or individuals or an administrative committee appointed by the Employer shall serve as the Administrator of the Plan.

1.3 Board

The Board of Directors of the Employer.

1.4 Change-in-Control

Provided that such term shall be interpreted within the meaning of regulations promulgated under Code Section 409A, a "Change-in-Control" of the Employer (which, for purpose of this Section 1.5 shall mean Origin Bancorp, Inc. but not any of its affiliates or subsidiaries) shall mean the first to occur of any of the following:

(a) the date that any one person or persons acting as a group acquires ownership of Employer stock constituting more than fifty percent (50%) of the total fair market value or total voting power of the Employer;

(b) the date that any one person or persons acting as a group acquires (or has acquired during the 12-month period ending on the date of the most recent acquisition by such person or persons) ownership of the stock of the Employer possessing thirty percent (30%) or more of the total voting power of the stock of the Employer;

(c) the date that any one person or persons acting as a group acquires (or has acquired during the 12-month period ending on the date of the most recent acquisition by such person or persons) assets from the Employer that have a total gross fair market value equal to or more than forty percent (40%) of the total gross fair market value of all of the assets of the Employer immediately prior to such acquisition; or

(d) the date that a majority of members of the Employer's Board is replaced during any 12- month period by directors whose appointment or election is not endorsed by a majority of the members of the Board prior to the date of the appointment or elections.

1.5 Code

The Internal Revenue Code of 1986, as amended.

1.6 Compensation

The Participant's earned income including Stock Unit(s) and other remuneration from the Employer as may be included by the Administrator.

1.7 Deferrals

The portion of Compensation that a Participant elects to defer in accordance with Section 3.1 hereof.

1.8 Deferral Election

The separate agreement, submitted to the Administrator, by which an Eligible Employee agrees to participate in the Plan and make Deferrals thereto.

1.9 Disability

Provided that such term shall be interpreted within the meaning of regulations promulgated under Code Section 409A, a Participant shall be considered to have incurred a Disability if: (i) the Participant is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than 12 months; (ii) the Participant is, by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than 12 months, receiving income replacement benefits for a period of not less than 3 months under an accident and health plan covering employees of the Participant's Employer; or (iii) determined to be totally disabled by the Social Security Administration.

1.10 Effective Date

December 8, 2022.

1.11 Eligible Employee

An Employee shall be considered an Eligible Employee if such Employee is a member of a "select group of management or highly compensated employees," within the meaning of Sections 201, 301 and 401 of ERISA, and such Employee is employed as (fill in job categories or positions as appropriate). The Administrator may at any time, in its sole discretion, change the eligible criteria for an Eligible Employee or determine that one or more Participants will cease to be an Eligible Employee. The designation of an Employee as an Eligible Employee in any year shall not confer upon such Employee any right to be designated as an Eligible Employee in any future Plan Year.

1.12 Employee

Any person employed by the Employer.

1.13 Employer

Origin Bancorp, Inc. and its subsidiaries and affiliates.

1.14 Employer Discretionary Contribution

A discretionary contribution made by the Employer that is credited to one or more Participant's Accounts in accordance with the terms of Section 3.6 hereof.

1.15 ERISA

The Employee Retirement Income Security Act of 1974, as amended.

1.16 Investment Fund

Each investment(s) which serves as a means to measure value, increases or decreases with respect to a Participant's Accounts.

1.17 Participant

An Eligible Employee who is a Participant as provided in Article 2.

1.18 Performance Stock Units

Performance Stock Units shall mean awards designated as Performance Stock Units by the Administrator that are granted to an Employee.

1.19 Plan Year

For the initial Plan Year, Effective Date through December 31, 2022. For each year thereafter, January 1 through December 31.

1.20 Restricted Stock Units

Restricted Stock Units shall mean awards designated as Restricted Stock Units by the Administrator that are granted to an Employee.

1.21 Retirement

Retirement shall mean a Participant's Separation from Service on, or subsequent to, the Participant's attaining age sixty-five (65).

1.22 Separation from Service

Provided that such term shall be interpreted within the meaning of regulations promulgated under Code Section 409A, a Participant shall incur a Separation from Service with the Service Recipient due to death, retirement or other termination of employment with the Service Recipient unless the employment relationship is treated as continuing intact while the individual is on military leave, sick leave, or other bona fide leave of absence if the period of such leave does not exceed six months, or if longer, so long as the individual retains a right to reemployment with the Service Recipient under an applicable statute or by contract. Upon a sale or other disposition of the assets of the Employer to an unrelated purchaser, the Administrator reserves the right, to the extent permitted by Code section 409A to determine whether Participants providing services to the purchaser after and in connection with the purchase transaction have experienced a Separation from Service.

1.23 Service Recipient

Provided that such term shall be interpreted within the meaning of regulations promulgated under Code Section 409A, Service Recipient shall mean the Employer or person for whom the services are performed and with respect to whom the legally binding right to compensation arises, and all persons with whom such person would be considered a single employer under Code Section 414(b) (employees of controlled group of corporations), and all persons with whom such person would be considered a single employer under Code Section 414(c) (employees of partnerships, proprietorships, etc., under common control).

1.24 Specified Employee

Provided that such term shall be interpreted within the meaning of regulations promulgated under Code Section 409A, a "Specified Employee" shall mean a participant who is considered a key employee on the Identification Date, as defined in Code Section 416(i) without regard to section 416(i)(5) and such other requirements imposed under Code Section 409A(a)(2)(B)(i) and regulations thereunder for the period beginning April 1 of the year subsequent to the Identification Date and ending March 31 of the following year. The Identification Date for this Plan is December 31 of each year. Notwithstanding anything to the contrary, a Participant is not a Specified Employee unless any stock of the Service Recipient is publicly traded on an established securities market or otherwise.

1.25 Stock Unit

Stock Unit shall mean Restricted Stock Units and Performance Stock Units.

1.26 Years of Contribution

The twelve (12) month period commencing with the date the contribution is credited to the plan and anniversaries thereof.

1.27 Years of Service

A Participant's "Years of Service" shall be measured by employment during a twelve (12) month period commencing with the Participant's date of hire and anniversaries thereof.

Article 2 Participation

2.1 Commencement of Participation

Each Eligible Employee shall become a Participant at the earlier of the date on which his or her Deferral Election first becomes effective or the date on which an Employer Discretionary Contribution is first credited to his or her Account.

2.2 Loss of Eligible Employee Status

A Participant who is no longer an Eligible Employee shall not be permitted to submit a Deferral Election and all Deferrals for such Participant shall cease as of the end of the year in which such Participant is determined to no longer be an Eligible Employee. Amounts credited to the Account of a Participant who is no longer an Eligible Employee shall continue to be held pursuant to the terms of the Plan and shall be distributed as provided in Article 6.

Article 3 Contributions

3.1 Deferral Elections - General

A Participant's Deferral Election for a Plan Year is irrevocable for that applicable Plan Year; provided, however that a cessation of Deferrals shall be allowed if required by the terms of the Employer's qualified 401(k) plan in order for the Participant to obtain a hardship withdrawal from the 401(k) plan, or if required under Section 6.9 (Unforeseeable Emergency) of this Plan. Such amounts deferred under the Plan shall not be made available to such Participant, except as provided in Article 6, and shall reduce such Participant's Compensation from the Employer in accordance with the provisions of the applicable Deferral Election; provided, however, that all such amounts shall be subject to the rights of the general creditors of the Employer as provided in Article 8. The Deferral Election, in addition to the requirements set forth below, must designate: (i) the amount of Compensation to be deferred, (ii) the time of the distribution, and (iii) the form of the distribution.

3.2 Time of Election

A Deferral Election shall be void if it is not made in a timely manner as follows:

(a) A Deferral Election with respect to any Compensation must be submitted to the Administrator before the beginning of the calendar year during which the amount to be deferred will be earned. As of December 31 of each calendar year, said Deferral Election is irrevocable for the calendar year.

(b) Notwithstanding the foregoing and in the discretion of the Employer, in a year in which an Employee is first eligible to participate, and provided that such Employee is not eligible to participate in any other similar account balance arrangement subject to Code Section 409A, such Deferral Election shall be submitted within thirty (30) days after the date on which an Employee is first eligible to participate, and such Deferral Election shall apply to Compensation to be earned during the remainder of the calendar year after such election is made.

(c) Notwithstanding the foregoing, a Deferral Election with respect to any Stock Units shall be submitted by the Eligible Employee or Participant provided that such Deferral Election is submitted prior to year in which the award is granted.

3.3 Distribution Elections

At the time a Participant makes a Deferral Election, he or she must also elect the time and form of the distribution by establishing one or more In-Service Account or Separation Account(s) as provided in Sections 5.1 and 6.1. If the Participant fails to properly designate the time and form of a distribution, the Participant's Account shall be designated as a Separation Account and shall be paid in a lump sum.

3.4 Additional Requirements

The Deferral Election, subject to the limitations set forth in Sections 3.1 and 3.2 hereof, shall comply with the following additional requirements, or as otherwise required by the Administrator in its sole discretion:

(a) Deferrals may be made in whole percentages or stated dollar amounts as determined by the Administrator.

(b) The maximum amount that may be deferred each Plan Year is one-hundred percent (100%) of the Participant's Performance Stock Units or Restricted Stock Units, net of applicable taxes.

(c) The distribution year for an In-Service Account must be at least five (5) Plan Years after the Plan Year in which such Deferral is credited to an In-Service subaccount.

3.5. Cancellation of Deferral Election due to Disability

Notwithstanding anything to the contrary, if a Participant incurs a disability as defined in this Section 3.5, said Participant may file an election to stop Deferrals as of the date the election is received by the Administrator, provided that such cancellation occurs by the later of the end of the calendar year or the 15th day of the third month following the date the Participant incurs a disability. Disability for purposes of this Section 3.5 only means that a Participant incurs a medically determinable physical or mental impairment resulting in the Participant's inability to perform the duties of his or her position or any substantially similar position, where such impairment can be expected to result in death or can be expected to last for a continuous period of not less than six months, as determined by the Administrator in its sole discretion.

3.6 Employer Discretionary Contribution

The Employer may make Employer Discretionary Contributions to some or all Participants' Accounts in such amount and in such manner as may be determined by the Employer. Such Employer Discretionary Contributions, at the option of the Employer, shall be credited to such sub-account as may be elected by the Participant in accordance with Sections 3.1 and 5.1 and procedures established by the Administrator. In the event no such election is made by the Participant or if Employer desires to direct Employer Discretionary Contributions to a particular Participant sub-account, the Employer, in its sole discretion, may determine which sub-account will be credited with such Employer Discretionary Contributions. In the event the Employer does not designate which Participant sub-account shall be credited, such Employer Discretionary Contributions shall be credited to a lump-sum Separation sub- account.

Article 4 Vesting

4.1 Vesting of Deferrals

A Participant shall be one-hundred percent (100%) vested in his or her Account attributable to Deferrals and any earning or losses on the investment of such Deferrals.

4.2 Vesting of Employer Discretionary Contributions

A Participant shall have a vested right to the portion of his or her Account attributable to Employer Discretionary Contribution(s) and any earnings or losses on the investment of such Employer Discretionary Contribution(s) according to such vesting schedule as the Employer shall determine at the time an Employer Discretionary Contribution is made. In the event the Employer fails to provide a vesting schedule for a particular Employer Discretionary Contribution, such Employer Discretionary Contribution shall fully vest in accordance with the following schedule:

Years of Contribution	Vested Percentage
Less than one (1) year	0%
At least one (1) but less than two (2) years	20%
At least two (2) but less than three (3) years	40%
At least three (3) but less than four (4) years	60%
At least four (4) but less than five (5) years	80%
Five (5) or more years	100%

4.3 Vesting due to Certain Events

(a) A Participant who incurs a Disability shall be fully vested in the amounts credited to his or her Account as of the date of Disability.

(b) Upon a Participant's death, the Participant shall be fully vested in the amounts credited to his or her Account.

(c) A Participant who incurs Retirement shall be fully vested in the amounts credited to his or her Account as of the date of Retirement.

(d) Upon a Change-in-Control, all Participants shall be fully vested in the amounts credited to their Accounts as of the date of the Change-in-Control.

4.4 Amounts Not Vested

Any amounts credited to a Participant's Account that are not vested at the time of a distribution event / his or her Separation from Service shall be forfeited.

4.5 Forfeitures

At the discretion of the Employer, any forfeitures from a Participant's Account may be returned to the Employer as soon as administratively feasible.

Article 5 Accounts

5.1 Accounts

The Administrator shall establish and maintain a bookkeeping account in the name of each Participant. The Administrator shall also establish sub-accounts as provided in subsection (a) and (b), below, as elected by the Participant pursuant to Article 3.

(a) A Participant may establish one or more Separation sub-accounts by designating as such on the Participant's Deferral Election. Each Participant's Separation sub-account shall be credited with Deferrals (as specified in the Participant's Deferral Election), any Employer Discretionary Contributions, and the Participant's allocable share of any earnings or losses on the foregoing. Each Participant's Separation sub-account shall be reduced by any distributions made plus any federal and state tax withholding, and any social security withholding tax as may be required by law.

(b) A Participant may elect to establish one or more In-Service sub-accounts by designating as such in the Participant's Deferral Election the year in which payment shall be made. Each Participant's In-Service sub-account shall be credited with Deferrals (as specified in the Participant's Deferral Election), any Employer Discretionary Contributions, and the Participant's allocable share of any earnings or losses on the foregoing. Each Participant's In-Service sub-account shall be reduced by any distributions made plus any federal and state tax withholding and any social security withholding tax as may be required by law.

5.2 Investments, Gains and Losses

(a) A Participant may direct that his or her Separation sub-accounts and or In-Service sub- accounts established pursuant to Section 5.1 be valued as if they were invested in one or more Investment Funds as selected by the Employer in multiples of one percent (1%). The Employer may from time to time, at the discretion of the Administrator, change the Investment Funds for purposes of this Plan.

(b) The Administrator shall adjust the amounts credited to each Participant's Account to reflect Deferrals, any Employer Discretionary Contributions, investment experience, distributions and any other appropriate adjustments. Such adjustments shall be made as frequently as is administratively feasible.

(c) A Participant may change his or her selection of Investment Funds with respect to his or her Account or sub-accounts by filing a new election in accordance with procedures established by the Administrator. An election shall be effective as soon as administratively feasible following the date the change is submitted on a form prescribed by the Administrator.

(d) Notwithstanding the Participant's ability to designate the Investment Fund in which his or her deferred Compensation shall be deemed invested, the Employer shall have no obligation to invest any funds in accordance with the Participant's election. Participants' Accounts shall merely be bookkeeping entries on the Employer's books, and no Participant shall obtain any property right or interest in any Investment Fund.

Article 6 Distributions

6.1 Distribution Election

Each Participant shall designate in his or her Deferral Election the form and timing of his or her distribution by indicating the type of sub-account as described under Section 5.1, and by designating the form in which payments shall be made from the choices available under Section 6.2 and 6.3 hereof. Notwithstanding anything to the contrary contained herein provided, no acceleration of the time or schedule of payments under the Plan shall occur except as permitted under both this Plan and Code Section 409A.

6.2 Distributions upon an In-Service Account Triggering Date

In-Service sub-account distributions of all vested amounts shall begin as soon as administratively feasible but no later than ninety (90) days following June 1 of the calendar year designated by the Participant on a properly submitted Deferral Election, and are payable in either a lump-sum payment or substantially equal annual installments, as described in Section 6.4 below, over a period of up to five (5) years as elected by the Participant in his or her Deferral Election. If the Participant fails to designate the form of the distribution, the sub-account shall be paid in a lump-sum payment.

6.3 Distributions upon a Separation from Service

If the Participant has a Separation from Service, the vested amount of the Participant’s Separation sub-account shall be distributed as soon as administratively feasible but no later than ninety (90) days following the Participant’s Separation from Service, subject to Section 6.10 (Distributions to Specified Employees). Distribution shall be made either in a lump-sum payment or in substantially equal annual installments, as defined in Section 6.4 below, over a period of up to ten (10) years as elected by the Participant. If the Participant fails to designate the form of the distribution, the sub-account shall be paid in a lump-sum payment. If a Participant has any In-Service sub-accounts at the time of his or her Separation from Service, said sub-accounts shall be distributed in a lump sum as soon as administratively feasible but no later than ninety (90) days following Participant’s Separation from Service, subject to Section 6.10 (Distributions to Specified Employees).

6.4 Substantially Equal Annual Installments

(a) The amount of the substantially equal payments of all vested amounts shall be determined by multiplying the Participant’s Account or sub-account by a fraction, the denominator of which in the first year of payment equals the number of years over which benefits are to be paid, and the numerator of which is one (1). The amounts of the payments for each succeeding year shall be determined by multiplying the Participant’s Account or sub-account as of the applicable anniversary of the payout by a fraction, the denominator of which equals the number of remaining years over which benefits are to be paid, and the numerator of which is one (1). Installment payments made pursuant to this Section 6.4 shall be made as soon as administratively feasible but no later than ninety (90) days following the anniversary of the distribution event, subject to Section 6.10 (Distributions to Specified Employees).

(b) For purposes of the Plan pursuant to Code Section 409A and regulations thereunder, a series of annual installments from a particular subaccount shall be considered a single payment.

6.5 Distributions due to Disability

Upon a Participant’s Disability, all vested amounts credited to his or her Account shall be paid to the Participant in a lump sum as soon as administratively feasible but no later than ninety (90) days following the date of Disability.

6.6 Distributions upon Death

Upon the death of a Participant, all vested amounts credited to his or her Account shall be paid, as soon as administratively feasible but no later than ninety (90) days following Participant’s date of death, to his or her beneficiary or beneficiaries, as determined under Article 7 hereof, in a lump sum.

6.7 Changes to Distribution Elections

A Participant will be permitted to elect to change the form or timing of the distribution of the balance of his or her one or more sub-accounts within his or her Account to the extent permitted and in accordance with the requirements of Code Section 409A(a)(4)(C), including the requirement that (i) a redeferral election may not take effect until at least twelve (12) months after such election is filed with the Employer, (ii) an election to further defer a distribution (other than a distribution upon death, Disability or an unforeseeable emergency) must result in the first distribution subject to the election being made at least five (5) years after the previously elected date of distribution, and (iii) any redeferral election affecting a distribution at a fixed date must be filed with the Employer at least twelve (12) months before the first scheduled payment under the previous fixed date distribution election.

6.8 Acceleration or Delay in Payments

To the extent permitted by Code Section 409A, and notwithstanding any provision of the Plan to the contrary, the Administrator, in its sole discretion, may elect to (i) accelerate the time or form of payment of all vested amounts of a benefit owed to a Participant hereunder in accordance with the terms and subject to the conditions of Treasury Regulations Section 1.409A-3(j)(4), or (ii) delay the time of payment of a benefit owed to a Participant hereunder in accordance with the terms and subject to the conditions of Treasury Regulations Section 1.409A-2(b)(7).

6.9 Unforeseeable Emergency

The Administrator may permit an early distribution of part or all of any deferred amounts; provided, however, that such distribution shall be made only if the Administrator, in its sole discretion, determines that the Participant, or the Participant’s beneficiary, has experienced an Unforeseeable Emergency. An Unforeseeable Emergency is defined as a severe financial hardship resulting from an illness or accident of the Participant, the Participant’s spouse, the Participant’s beneficiary, or a dependent (as defined in Code Section 152(a)) of the Participant, loss of the Participant’s property due to casualty or other similar extraordinary and unforeseeable circumstances arising as a result of events beyond the control of the Participant. If an Unforeseeable Emergency is determined to exist, a distribution may not exceed the amounts necessary to satisfy such emergency plus amounts necessary to pay taxes reasonably anticipated as a result of the distribution, after taking into account the extent to which such hardship is or may be relieved through reimbursement or compensation by insurance or otherwise or by liquidation of the Participant’s assets (to the extent the liquidation of such assets would not itself cause severe financial hardship). Upon a distribution to a Participant under this Section 6.9, the Participant’s Deferrals shall cease and no further Deferrals shall be made for such Participant for the remainder of the Plan Year.

6.10 Distributions to Specified Employee

Notwithstanding anything herein to the contrary, if any Participant is a Specified Employee upon a Separation from Service for any reason other than death, distributions of all vested amounts to such Participant shall commence no earlier than six months following Separation from Service (or, if earlier, the date of death of the Participant) and no later than nine months following Separation from Service. If distributions are to be made in annual installments, the second installment and all those thereafter will be made on the applicable anniversaries of the date on which the Participant’s initial installment was payable.

6.11 Minimum Distribution

Notwithstanding any provision to the contrary, if the vested balance of a Participant’s Account or sub-account at the time of a distribution event is $25,000 or less, then the Participant shall be paid his or her Account or sub-account as a single lump sum.

6.12 Form of Payment

All distributions shall be made in the form of cash or stock shares as determined by the administrator.

6.13 Separation from Service for Cause

Notwithstanding anything to the contrary contained herein, in the event the Participant has an involuntary Separation from Service for Cause, Participant shall only receive the return of his or her Deferrals including the Participant's allocable share of any earnings or losses credited on those Deferrals pursuant to Section 5.2 and subject to Section 6.10 (Distributions to Specified Employees) above. Upon a Participant's Separation from Service for Cause, all amounts credited to Participant's Account amounts relating to Employer Discretionary Contributions, including the Participant's allocable share of any earnings or losses credited on the foregoing pursuant to Section 5.2, above, shall be forfeited back to the Employer.

For purposes of this Plan, "Cause" shall mean (i) grantee's commission of an act of fraud, embezzlement or other act of dishonesty that would reflect adversely on the integrity, character, or reputation of the Company or an Affiliate, or that would cause harm to customer relations, operations, or business; (ii) grantee's breach of fiduciary duty owed to the Company or an Affiliate; (iii) grantee's unauthorized disclosure or use of confidential information or trade secrets; (iv) grantee's conviction of a felony or conviction of a misdemeanor which materially impairs grantee's ability substantially to perform his duties; or (v) grantee's neglect or misconduct in the performance of duties and responsibilities, which is not cured within ten (10) days after the Company or an Affiliate gives grantee written notice of such neglect or misconduct.

Article 7 Beneficiaries

7.1 Beneficiaries

Each Participant may from time to time designate one or more persons (who may be any one or more members of such person's family or other persons, administrators, trusts, foundations or other entities) as his or her beneficiary under the Plan. Such designation shall be made in a form prescribed by the Administrator. Each Participant may at any time and from time to time, change any previous beneficiary designation, without notice to or consent of any previously designated beneficiary, by amending his or her previous designation in a form prescribed by the Administrator. If the beneficiary does not survive the Participant (or is otherwise unavailable to receive payment) or if no beneficiary is validly designated, then the amounts payable under this Plan shall be paid to the Participant's surviving spouse, or if no surviving spouse to the Participant's estate. If more than one person is the beneficiary of a deceased Participant, each such person shall receive a pro rata share of any death benefit payable unless otherwise designated in the applicable form. If a beneficiary who is receiving benefits dies, all benefits that were payable to such beneficiary shall then be payable to the estate of that beneficiary.

7.2 Lost Beneficiary

All Participants and beneficiaries shall have the obligation to keep the Administrator informed of their current address until such time as all benefits due have been paid. If a Participant or beneficiary cannot be located by the Administrator exercising due diligence, then, in its sole discretion, the Administrator may presume that the Participant or beneficiary is deceased for purposes of the Plan and all unpaid amounts (net of due diligence expenses) owed to the Participant or beneficiary shall be paid accordingly or, if a beneficiary cannot be so located, then such amounts may be forfeited. Any such presumption of death shall be final, conclusive and binding on all parties.

Article 8 Funding

8.1 Prohibition against Funding

Should any investment be acquired in connection with the liabilities assumed under this Plan, it is expressly understood and agreed that the Participants and beneficiaries shall not have any right with respect to, or claim against, such assets nor shall any such purchase be construed to create a trust of any kind or a fiduciary relationship between the Employer and the Participants, their beneficiaries or any other person. Any such assets shall be and remain a part of the general, unpledged, unrestricted assets of the Employer, subject to the claims of its general creditors. It is the express intention of the parties hereto that this arrangement shall be unfunded for tax purposes and for purposes of Title I of the ERISA. Each Participant and beneficiary shall be required to look to the provisions of this Plan and to the Employer itself for enforcement of any and all benefits due under this Plan, and to the extent any such person acquires a right to receive payment under this Plan, such right shall be no greater than the right of any unsecured general creditor of the Employer. The Employer shall be designated the owner and beneficiary of any investment acquired in connection with its obligation under this Plan.

8.2 Withholding of Employee Contributions

The Administrator is authorized to make any and all necessary arrangements with the Employer in order to withhold the Participant's Deferrals under Section 3.1 hereof from his or her Compensation. The Administrator shall determine the amount and timing of such withholding.

Article 9 Claims Administration

If the Participant, Beneficiary or his or her representative is denied all or a portion of an expected benefit for any reason and the Participant, Beneficiary or his or her representative desires to dispute the decision of the Administrator, he or she must file a written notification of his or her claim with the Administrator. The Plan, being established as a "top-hat plan" within the meaning of DOL Reg. §2520.104- 23, requires all claims for benefits hereunder be made pursuant to those claims procedure requirements under DOL Reg. §2560.503-1, as amended from time to time. Participant, Beneficiary or his or her representative may file with the Administrator a written claim for benefits, if the Participant, beneficiary or his or her representative disputes the Administrator's determination regarding a benefit. The Administrator under this Article 9 will provide a separate written document to Participant, Beneficiary or his or her representative explaining the Plan's claims procedures and which by this reference is incorporated into the Plan. Such documentation shall be written in manner that is in a culturally and linguistically appropriate manner to the party receiving the documentation.

Article 10 General Provisions

10.1 Administrator

(a) The Administrator is expressly empowered to limit the amount of Compensation that may be deferred; to interpret the Plan, and to determine all questions arising in the administration, interpretation and application of the Plan; to employ actuaries, accountants, counsel, and other persons it deems necessary in connection with the administration of the Plan; to request any information from the Employer it deems necessary to determine whether the Employer would be considered insolvent or subject to a proceeding in bankruptcy; and to take all other necessary and proper actions to fulfill its duties as Administrator.

(b) The Administrator shall not be liable for any actions by it hereunder, unless due to its own negligence, willful misconduct or lack of good faith.

(c) The Administrator shall be indemnified and saved harmless by the Employer from and against all personal liability to which it may be subject by reason of any act done or omitted to be done in its official capacity as Administrator in good faith in the administration of the Plan, including all expenses reasonably incurred in its defense in the event the Employer fails to provide such defense upon the request of the Administrator. The Administrator is relieved of all responsibility in connection with its duties hereunder to the fullest extent permitted by law, short of breach of duty to the beneficiaries.

10.2 No Assignment

Benefits or payments under this Plan shall not be subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, attachment, or garnishment by creditors of the Participant or the Participant's beneficiary, whether voluntary or involuntary, and any attempt to so anticipate, alienate, sell, transfer, assign, pledge, encumber, attach or garnish the same shall not be valid, nor shall any such benefit or payment be in any way liable for or subject to the debts, contracts, liabilities, engagement or torts of any Participant or beneficiary, or any other person entitled to such benefit or payment pursuant to the terms of this Plan, except to such extent as may be required by law. If any Participant or beneficiary or any other person entitled to a benefit or payment pursuant to the terms of this Plan becomes bankrupt or attempts to anticipate, alienate, sell, transfer, assign, pledge, encumber, attach or garnish any benefit or payment under this Plan, in whole or in part, or if any attempt is made to subject any such benefit or payment, in whole or in part, to the debts, contracts, liabilities, engagements or torts of the Participant or beneficiary or any other person entitled to any such benefit or payment pursuant to the terms of this Plan, then such benefit or payment, in the discretion of the Administrator, shall cease and terminate with respect to such Participant or beneficiary, or any other such person.

10.3 No Employment Rights

Participation in this Plan shall not be construed to confer upon any Participant the legal right to be retained in the employ of the Employer, or give a Participant or beneficiary, or any other person, any right to any payment whatsoever, except to the extent of the benefits provided for hereunder. Each Participant shall remain subject to discharge to the same extent as if this Plan had never been adopted.

10.4 Incompetence

If the Administrator determines that any person to whom a benefit is payable under this Plan is incompetent by reason of physical or mental disability, the Administrator shall have the power to cause the payments becoming due to such person to be made to another for his or her benefit without responsibility of the Administrator or the Employer to see to the application of such payments. Any payment made pursuant to such power shall, as to such payment, operate as a complete discharge of the Employer, the Administrator.

10.5 Identity

If, at any time, any doubt exists as to the identity of any person entitled to any payment hereunder or the amount or time of such payment, the Administrator shall be entitled to hold such sum until such identity or amount or time is determined or until an order of a court of competent jurisdiction is obtained. The Administrator shall also be entitled to pay such sum into court in accordance with the appropriate rules of law. Any expenses incurred by the Employer and Administrator, to such proceeding or litigation shall be charged against the Account of the affected Participant.

10.6 Other Benefits

The benefits of each Participant or beneficiary hereunder shall be in addition to any benefits paid or payable to or on account of the Participant or beneficiary under any other pension, disability, annuity or retirement plan or policy whatsoever.

10.7 Expenses

All expenses incurred in the administration of the Plan, whether incurred by the Employer or the Plan, shall be paid by the Employer.

10.8 Insolvency

Should the Employer be considered insolvent, the Employer, through its Board and chief executive officer, shall give immediate written notice of such to the Administrator of the Plan. Upon receipt of such notice, the Administrator shall cease to make any payments to Participants who were Employees of the Employer or their beneficiaries and shall hold any and all assets attributable to the Employer for the benefit of the general creditors of the Employer.

10.9 Amendment or Modification

The Employer may, at any time, in its sole discretion, amend or modify the Plan in whole or in part, except that no such amendment or modification shall have any retroactive effect to reduce any amounts allocated to a Participant's Accounts, and provided that such amendment or modification complies with Code Section 409A and related regulations thereunder.

10.10 Plan Suspension

The Employer further reserves the right to suspend the Plan in whole or in part, except that no such suspension shall have any retroactive effect to reduce any amounts allocated to a Participant's Accounts, and provided that the distribution of the vested Participant Accounts shall not be accelerated but shall be paid at such time and in such manner as determined under the terms of the Plan immediately prior to suspension as if the Plan had not been suspended.

10.11 Plan Termination

The Employer further reserves the right to terminate the Plan in whole or in part, in the following manner, except that no such termination shall have any retroactive effect to reduce any amounts allocated to a Participant's Accounts, and provided that such termination complies with Code Section 409A and related regulations thereunder:

(a) The Employer, in its sole discretion, may terminate the Plan and distribute all vested Participants' Accounts no earlier than twelve (12) calendar months from the date of the Plan termination and no later than twenty-four (24) calendar months from the date of the Plan termination, provided however that all other similar arrangements are also terminated by the Employer for any affected Participant and no other similar arrangements are adopted by the Employer for any affected Participant within a three (3) year period from the date of termination; or

(b) The Employer may decide, in its sole discretion, to terminate the Plan in the event of a corporate dissolution taxed under Code Section 331, or with the approval of a bankruptcy court, provided that the Participants vested Account balances are distributed to Participants and are included in the Participants' gross income in the latest of: (i) the calendar year in which the termination occurs; (ii) the calendar year in which the amounts deferred are no longer subject to a substantial risk of forfeiture; or (iii) the first calendar year in which payment is administratively practicable.

10.12 Plan Termination due to a Change-in-Control

The Employer may decide, in its discretion, to terminate the Plan in the event of a Change-in- Control and distribute all vested Participants Account balances no earlier than thirty (30) days prior to the Change-in-Control and no later than twelve (12) months after the effective date of the Change-in-Control, provided however that the Employer terminates all other similar arrangements for any affected Participant.

10.13 Construction

All questions of interpretation, construction or application arising under or concerning the terms of this Plan shall be decided by the Administrator, in its sole and final discretion, whose decision shall be final, binding and conclusive upon all persons.

10.14 Governing Law

This Plan shall be governed by, construed and administered in accordance with the applicable provisions of ERISA, Code Section 409A, and any other applicable federal law, provided, however, that to the extent not preempted by federal law this Plan shall be governed by, construed and administered under the laws of the State of Louisiana, other than its laws respecting choice of law.

10.15 Severability

If any provision of this Plan is held invalid or unenforceable, its invalidity or unenforceability shall not affect any other provision of this Plan and this Plan shall be construed and enforced as if such provision had not been included therein. If the inclusion of any Employee (or Employees) as a Participant under this Plan would cause the Plan to fail to comply with the requirements of sections 201(2), 301(a)(3) and 401(a)(1) of ERISA, then the Plan shall be severed with respect to such Employee or Employees, who shall be considered to be participating in a separate arrangement.

10.16 Headings

The Article headings contained herein are inserted only as a matter of convenience and for reference and in no way define, limit, enlarge or describe the scope or intent of this Plan nor in any way shall they affect this Plan or the construction of any provision thereof.

10.17 Terms

Capitalized terms shall have meanings as defined herein. Singular nouns shall be read as plural, masculine pronouns shall be read as feminine, and vice versa, as appropriate.

10.18 Code Section 409A Fail Safe Provision

If any provision of this Plan violates Code Section 409A, the regulations promulgated thereunder, regulatory interpretations, announcements or mandatory judicial precedent construing Code Section 409A (collectively "Applicable Law"), then such provision shall be void and have no effect. At all times, this Plan shall be interpreted in such manner that it complies with Applicable Law.

10.19 No Guarantee of Tax Consequences

While the Plan is intended to provide tax deferral for Participants, the Plan is not a guarantee that the intended tax deferral will be achieved. Participants are solely responsible and liable for the satisfaction of all taxes and penalties that may arise in connection with this Plan (including any taxes arising under Section 409A of the Code). Neither the Employer nor any of its directors, officers or employees shall have any obligation to indemnify or otherwise hold any Participant harmless from any such taxes.

10.20 Limitation on Actions

Any Participant or Beneficiary who disagrees with a denial of his appealed claim under Article 9 of this Plan must file any compla int in a federal District Court to dispute such determination (a} within three (3} years of the earlier of the date on which such claim for benefits first accrued or arose under the terms of the Plan, or (b} within one (1) year after the such claim was denied upon appeal, **or** deemed denied under Article 9 hereof.

10.21 Right of Setoff

The Employer may, to the extent permitted by applicable law, deduct from and setoff against any amounts payable to a Participant from this Plan such amounts as may be owed by a Participant to the Employer, although the Participant shall remain liable for any part of the Participant's payment obligation not satisfied through such deduction and setoff; provided, however, that this setoff may occur only at the date on which the amount would otherwise be distributed to the Participant as required by Code Section 409A. By electing to participate in the Plan and deferring compensation hereunder, the Participant agrees to any deduction or setoff under this Section 10.21, which is allowed by law.

IN WITNESS WHEREOF, Origin Bancorp, Inc. has caused this instrument to be executed by its duly authorized officer, effective as of this 8th day of December 2022

ORIGIN BANCORP, INC.

By: /s/ Ashlea Price

Name: Ashlea Price

Title: Chief Human Resources Officer, EVP

Special One-Time CEO Award

ORIGIN BANCORP, INC.
2012 STOCK INCENTIVE PLAN
(as amended and restated effective January 1, 2017)

Incentive Agreement
for Performance Unit Award

(Performance-Based Vesting)

This Incentive Agreement for Performance Unit Award (the “Agreement”) is made this **December 13, 2022** (the “Date of Grant”) by and between Origin Bancorp, Inc. (the “Company”) and **Drake Mills** (the “Grantee”) pursuant to the Origin Bancorp, Inc. 2012 Stock Incentive Plan, as amended and restated effective January 1, 2017 (the “Plan”).

<u>WITNESSETH</u>:

WHEREAS, Grantee is employed by the Company in the position of President and Chief Executive Officer; and

WHEREAS, in order to incentivize Grantee to exert substantial efforts to maximize the success of the Company, the Board of Directors desires to grant an award to the Grantee under the Plan upon the conditions and terms contained within this Agreement (the “Award”).

NOW, THEREFORE, the Company and Grantee agree as follows:

ARTICLE I. <u>PERFORMANCE UNITS</u>

1.1 Grant of Performance Units. The Company hereby grants to Grantee a target number of 129,735 Performance Units (the “Target Number of Performance Units), subject to the terms and conditions provided in this Agreement. Each Performance Unit shall represent a right for the Grantee to receive one (1) share of Stock or cash equal to the Fair Market Value thereof, as determined by the Committee, in its sole discretion, as of the applicable Vesting Date. The “Performance Period” shall mean the period during which the performance criteria and conditions described on Exhibit B (the “Performance Criteria”) will be measured.

1.2 Issue Price. The Grantee shall not be required to pay any issue price to the Company in exchange for the Performance Units granted hereunder or, as applicable, upon the issuance of shares of Stock hereunder.

1.3 Distributions and Voting Rights.

(a) All dividends and other distributions with respect to shares of Stock attributable to the Award that become payable during the Performance Period will accrue when declared and will be paid to the Grantee, in cash, only upon the settlement of the related Performance Units in accordance with the provisions of Section 1.4 below.

(b) The Grantee shall not be entitled to vote shares of Stock attributable to the Award prior to the date(s) on which the Grantee becomes a shareholder of record for such shares of Stock.

1.4 Settlement of Award.

(a) The Performance Units, to the extent vested, will be settled as soon as practicable following the applicable Vesting Date, but no later than the last day of the calendar year that includes the applicable Vesting Date. Upon settlement, the Company shall deliver to the Grantee shares of Stock equal to the number of vested Performance Units or cash equal to the Fair Market Value of such shares, or a combination thereof, as determined by the Company in its sole and absolute discretion. The date that the shares and/or cash are delivered shall be the “Settlement Date” of the vested Performance Units. No fractional Shares shall be issued to Grantee.

(b) To the extent shares of Stock are issued in settlement of this Award, such shares shall be registered in the name of the Grantee and shall be held by Transfer Agent of the Company in an unrestricted shareholder account. The Company shall direct the Transfer Agent to provide a shareholder statement to the Grantee evidencing outright ownership to the Grantee (or the Grantee’s beneficiary in the event of the Grantee’s death, designated as provided in Section 4.8).

1.5 Vesting. The Performance Units shall vest as set forth in Exhibit B hereto.

1.6 Forfeiture of Award. In addition to events of forfeiture described in Article III, in the event of Grantee’s Termination of Employment prior to the Vesting Date for any reason other than as set forth in Exhibit B, this Award shall be forfeited in its entirety. Upon forfeiture, all rights of the Grantee and obligations of the Company hereunder shall be immediately terminated.

ARTICLE II.
CHANGE IN CONTROL OF THE COMPANY

If the Company is not the surviving corporation following a Change in Control, and the surviving corporation following such Change in Control or the acquiring corporation (such surviving corporation or acquiring corporation is hereinafter referred to as the “Acquiror”) does not assume the outstanding Award granted hereunder or does not substitute equivalent equity awards relating to the securities of such Acquiror or its affiliates for such Performance Units, then the Award shall become immediately and fully vested on the date of such Change in Control with respect to 100% of the Target Number of Performance Units. In addition, the Board of Directors or its designee may, in its sole discretion, provide for a cash payment to be made to the Grantee for the outstanding Award upon the consummation of the Change in Control, determined on the basis of the Fair Market Value that would be received in such Change in Control by the holders of the Company's securities relating to such shares of Stock.

If the Company is the surviving corporation following a Change in Control, or the Acquiror assumes the outstanding Award granted hereunder or substitutes equivalent equity awards relating to the securities of such Acquiror or its affiliates for such Performance Units, then the Award or such substitutes therefore shall remain outstanding and be governed by their respective terms and the provisions of the Plan, provided, however, that such Award shall, subject to Section 1.6 hereof, become immediately and fully vested on the Vesting Date with respect to 100% of the Target Number of Performance Units without regard to the performance of the Company or the Acquirer following the Change in Control. Notwithstanding the foregoing, if Participant’s Performance Units are assumed or substituted in connection with a Change in Control, the Target Number of Performance Units will become immediately 100% vested in the event of a termination without Cause within twelve (12) months following the Change in Control.

ARTICLE III.
GRANTEE’S COVENANTS

3.1 Confidentiality. The Grantee understands and acknowledges that (i) during the Grantee’s employment with the Company or any Affiliate thereof, the Grantee will have access to Confidential Information of the Company and its Affiliates; (ii) such Confidential Information and the ability of the Company and its Affiliates to reserve such Confidential Information for their respective and exclusive knowledge and use is of great competitive importance and commercial value to the Company and its Affiliates; (iii) the Company has taken and will continue to take actions to protect the Confidential Information; and (iv) the provisions of this Section are reasonable and necessary to prevent the improper use or disclosure of such Confidential Information. Accordingly, the Grantee agrees that during the term of the Grantee's employment with the Company or any Affiliate thereof and, following the termination of such employment, until such time as the Confidential Information becomes generally available to the public through no fault of the Grantee or other person under a duty of confidentiality to the Company thereof, the Grantee will not, except as required by law or legal process, in any capacity, use or disclose, or cause to be used or disclosed, any Confidential Information the Grantee acquired while employed by the Company or any Affiliate thereof. For purposes of this Agreement, the term "Confidential Information" shall include, without limitation, the identity of customers, personal customer data, strategic plans, sales data and sales strategy, methods, products, procedures, processes, techniques, financial information, vendor and supplier lists, pricing policies, personnel data and other confidential, business, competitive and proprietary information concerning or related to the Company and/or its Affiliates and their respective businesses, operations, financial conditions, results of operations, competitive position and prospects (collectively "Confidential Information"). The parties hereto agree that nothing in this Agreement shall be construed to limit or negate the law of torts or trade secrets where it provides the Company with broader protection than that provided herein.

3.2 Return of Company Property. The parties hereto acknowledge that any material (in computerized or written form) that the Grantee obtains in the course of performing the Grantee's employment duties with the Company or any Affiliate are the sole and exclusive property of the Company, the Grantee agrees to immediately return any and all records, files, computerized data, documents, Confidential Information, or any other property owned or belonging to the Company in the Grantee's possession or under the Grantee's control, without any originals or copies being kept by the Grantee or conveyed to any other person, upon the Grantee's separation from employment or upon the Company's request.

3.3 Non-Competition; Non-Solicitation of Customers/Employees. The Grantee agrees that during Grantee's employment by the Company or any Affiliate thereof and for a period of one (1) year thereafter, in the case of Section 3.3(i) and (ii), or a period of two (2) years thereafter, in the case of Section 3.3(iii), the Grantee will not directly, or indirectly, on behalf of himself or any other person, entity or enterprise, do any of the following:

(i) Divert or attempt to divert from the Company or any Affiliate thereof any business by influencing or attempting to influence or soliciting or attempting to solicit any customers of the Company or any Affiliate thereof or any particular customer with whom the Company or any Affiliate thereof had business contacts in the one-year period immediately preceding the Grantee's termination or with whom the Grantee may have dealt at any time during the Grantee's employment by the Company or an Affiliate thereof. The provisions of this item (i) shall apply in the parishes and counties listed in the Exhibit "A" attached hereto and made a part hereof, as the same may be amended from time to time. The parties agree that Exhibit A may be amended from time to time by the Company, which amendments shall be presented to the Grantee in writing and shall be deemed accepted by the Grantee if the Grantee remains employed by the Company on the third (3rd) business day following receipt of any such amendment.

(ii) Without the prior written consent of the Company, recruit, solicit, hire, attempt to hire, or assist any other person to hire any employee of the Company or an Affiliate thereof or any person who was an employee of the Company or any Affiliate during the six (6) months immediately preceding the Grantee's Termination of Employment.

(iii) (A) carry on or engage in the business of banking, including, without limitation, originating, underwriting, closing and selling loans, receiving deposits and otherwise engaging in the business of banking (the "Competitive Services"), or (B) own, manage, operate, join, control or participate in the ownership, management, operation or control, of any business, whether in corporate, proprietorship or partnership form or otherwise where such business is engaged in the provision of Competitive Services. The provisions of this item (iii) shall apply in the parishes and counties listed in the Exhibit "A" attached hereto and made a part hereof, as the same may be amended from time to time. The parties agree that Exhibit A may be amended from time to time by the Company, which amendments shall be presented to the Grantee in writing and shall be deemed accepted by the Grantee if the Grantee remains employed by the Company on the third (3rd) business day following receipt of any such amendment.

(iv) Otherwise assist any person in any way to do, or attempt to do, anything prohibited by the foregoing.

3.4 Remedies. Notwithstanding any other provision of this Agreement, if the Company determines that the Grantee has breached or threatened to breach any provision of this Article III, then, upon written notice of the Company and without consideration, any Performance Units whether or not vested shall be immediately forfeited, the shares and cash (including proceeds received upon a sale of the shares) issued to the Participant shall be subject to recoupment and any and all rights to receive any remaining benefits under this Agreement shall be immediately cancelled. In addition, the Company shall be entitled to injunctive and other equitable relief (without the necessity of showing actual monetary damages or of posting any bond or other security): (i) restraining and enjoining any act which would constitute a breach, or (ii) compelling the performance of any obligation which, if not performed, would constitute a breach, as well as any other remedies available to the Company, including monetary damages. Upon the Company's request, the Grantee shall provide reasonable assurances and evidence of compliance with the restrictive covenants set forth in this Article III. If any court of competent jurisdiction shall deem any provision in this Article III too restrictive, the other provisions shall stand, and the court shall modify the unduly restrictive provision to the point of greatest restriction permissible by law. The restrictive covenants set forth in this Article III shall survive the termination of this Agreement, the forfeiture of the Award, and the Grantee's Termination of Employment with the Company and all Affiliates for any reason, and the Grantee shall continue to be bound by the terms of this Article III as if this Agreement was still in effect.

ARTICLE IV. MISCELLANEOUS PROVISIONS

4.1 Adjustments Upon Changes in Stock. In case of any reorganization, recapitalization, reclassification, stock split, stock dividend, distribution, combination of shares, merger, consolidation, rights offering, or any other changes in the corporate structure or shares of the Company, appropriate adjustments may be made by the Committee or the Board of Directors, as the case may be, (or if the Company is not the surviving corporation in any such transaction, the board of directors of the surviving corporation) in the aggregate number and kind of shares subject to the Plan, and the number and kind of shares subject to this Award. Appropriate adjustments may also be made by the Committee or the Board of Directors, as the case may be, in the terms of any Awards under the Plan, subject to the provisions of the Plan, to reflect such changes and to modify any other terms of outstanding Awards on an equitable basis. Any such adjustments made by the Committee or the Board of Directors Performance pursuant to this Section shall be conclusive and binding for all purposes under the Plan.

4.2 Amendment, Suspension, and Termination of Plan.

(a) The Board of Directors may suspend or terminate the Plan or any portion thereof at any time, and, subject to limitations contained therein and, subject to shareholder approval if required, may amend the Plan from time to time in such respects as the Board of Directors may deem advisable in order that any awards thereunder shall conform to any change in applicable laws or regulations or in any other respect the Board of Directors may deem to be in the best interests of the Company; provided, however, that no such amendment, suspension, or termination shall adversely alter or impair the Award granted hereunder without the consent of the Grantee.

(b) The Committee may amend or modify the Award granted hereunder in any manner to the extent that the Committee would have had the authority under the Plan initially to grant the Award as so modified or amended; however, no such amendment or modification shall adversely alter or impair the Award granted hereunder without the consent of the Grantee.

(c) Notwithstanding the foregoing, the Plan and the Agreement may be amended without any additional consideration to the Grantee to the extent necessary to comply with, or avoid penalties under, Section 409A of the Code, even if those amendments reduce, restrict or eliminate rights granted prior to such amendments.

4.3 No Right To Employment/Other Service. None of the actions of the Company in establishing the Plan, the actions taken by the Company, the Board of Directors or the Committee under the Plan, or the granting of the Award pursuant to this Agreement shall be deemed (a) to create any obligation on the part of the Company or any Affiliate or on the Board of Directors of the Company or such Affiliate to retain the Grantee as an employee, consultant, director or other service provider or to nominate Grantee for election to the Board of Directors, or (b) to be evidence of any agreement or understanding, express or implied, that the person has a right to continue as an employee, consultant, other service provider, or non-employee director for any period of time or at any particular rate of compensation.

4.4 Plan and Grant Document Control. The grant of the Award hereunder is governed and controlled by the terms of the Plan and this Agreement. All the provisions of the Plan, as such may be amended from time to time, are hereby incorporated into this Agreement by this reference. All capitalized terms utilized in this Agreement shall have the same meaning as in the Plan, except as otherwise specifically provided herein.

4.5 Governing Law. All matters relating to the Plan or to awards granted under the Plan pursuant to this Agreement shall be governed by and construed in accordance with the laws of the State of Louisiana without regard to the principles of conflict of laws.

4.6 Trust Arrangement. All benefits under the Plan represent an unsecured promise to pay by the Company. The Plan shall be unfunded and the benefits hereunder shall be paid only from the general assets of the Company resulting in the Grantee having no greater rights than the Company's general creditors; provided, however, nothing herein shall prevent or prohibit the Company from establishing a trust or other arrangement for the purpose of providing for the payment of the benefits payable under the Plan.

4.7 No Impact on Benefits. The Award granted hereunder is not compensation for purposes of calculating the Grantee’s rights under any employee benefit plan of the Company or any Affiliate that does not specifically require the inclusion of Awards in calculating benefits.

4.8 Beneficiary Designation. The Grantee may name a beneficiary or beneficiaries to receive any vested portion of the Award that is unpaid at the Grantee’s death. Unless otherwise provided in the beneficiary designation, each designation will revoke all prior designations made by the Grantee, must be made in such manner as prescribed by the Committee and will be effective only when received by the Committee (or its authorized delegate). If the Grantee has not made an effective beneficiary designation, the deceased Grantee’s beneficiary will be the Grantee’s surviving spouse or, if none, the deceased Grantee’s estate. The identity of a Grantee’s designated beneficiary will be based only on the information included in the latest beneficiary designation received by the Committee (or its authorized delegated) and will not be inferred from any other evidence.

4.9 Taxes. The Company shall have the power and the right to deduct or withhold, or require the Grantee to remit to the Company, the minimum statutory amount to satisfy federal, state and local taxes required by law or regulation to be withheld with respect to any taxable event arising as a result of the Award granted hereunder, if any. No delivery of shares or cash shall be made unless and until appropriate arrangements for the payment of such taxes have been made. With respect to withholding required upon any taxable event arising as a result of the Award granted hereunder, the Grantee may elect, subject to the approval of the Committee, to satisfy the withholding requirement, in whole or in part, by having the Company withhold shares of Stock of the Company having a Fair Market Value on the date the tax is to be determined equal to the minimum statutory total tax that could be imposed on the transaction. Alternatively, the Grantee may elect for such taxes to be withheld from other compensation otherwise due to the Grantee from the Company and provided Grantee’s other compensation is sufficient to cover such taxes. All such elections shall be irrevocable, made in writing and signed by the Grantee, and shall be subject to any restrictions or limitations that the Committee, in its sole discretion, deems appropriate. All such elections shall be made and filed with the Committee in the manner determined by the Committee on or before the applicable Vesting Date, or such earlier date as shall be determined by the Committee. If an election has not been made by the Grantee, or the amount of the taxes required to be withheld has not been remitted by the Grantee to the Company on or before the applicable Vesting Date, the Grantee hereby authorizes the Company to withhold from amounts payable under the Award cash or shares of Stock of the Company having a Fair Market Value equal to the tax required to be withheld.

4.10 Gender and Number. Except where otherwise indicated by the context, any masculine term used herein also shall include the feminine, the plural shall include the singular, and the singular shall include the plural.

4.11 Severability. In the event any provision of the Plan or this Agreement shall be held illegal or invalid for any reason, the illegality or invalidity shall not affect the remaining parts of the Plan or this Agreement, and the Plan or this Agreement shall be construed and enforced as if the illegal or invalid provision had not been included.

4.12 Transfer Restrictions. The Performance Units issued to the Grantee hereunder may not be sold, transferred by gift, pledged, hypothecated, or otherwise transferred or disposed of by the

Grantee prior to the Settlement Date. Any attempt to transfer any Performance Units in violation of this Section 4.10 shall be null and void and shall be disregarded. The terms of this Agreement and the Plan shall be binding upon the executors, administrators, heirs, successors and assigns of the Grantee.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed to be effective as of the date first noted above.

	ORIGIN BANCORP, INC.	**GRANTEE:**
By:	/s/ Derek McGee	/s/ Drake Mills
	Derek McGee	Drake Mills
	Print Name	Print Grantee Name
	Chief Legal Counsel	P.O. Box 2525
	Title	Address
		Ruston, LA 71270
		City, State, Zip Code

ORIGIN BANCORP, INC.
2012 Stock Incentive Plan
Incentive Agreement for Performance Unit Award

Exhibit A

Bienville Parish, Louisiana

Claiborne Parish, Louisiana

Jackson Parish, Louisiana

Lincoln Parish, Louisiana

Morehouse Parish, Louisiana

Ouachita Parish, Louisiana

Union Parish, Louisiana

Hinds Country, Mississippi

Lafayette County, Mississippi

Madison County, Mississippi

Collin County, Texas

Dallas County, Texas

Harris County, Texas

Montgomery County, Texas

Tarrant County, Texas

Smith County, Texas

Gregg County, Texas

Wood County, Texas

Panola County, Texas

Rusk County, Texas

ORIGIN BANCORP, INC.
2012 Stock Incentive Plan
Incentive Agreement for Performance Unit Award
EXHIBIT B PERFORMANCE CRITERIA

1. Except as otherwise provided in the Agreement, the Performance Units shall be eligible to vest as follows:

(i) 20% of the Performance Units ("Tranche 1 Performance Units") will be eligible to vest on the later of the 2025 Vesting Date or the Tranche 1 Hurdle Achievement Date, provided that Grantee remains continuously employed by the Company on such date.

(ii) 20% of the Performance Units ("Tranche 2 Performance Units") will be eligible to vest on the later of the 2026 Vesting Date or the Tranche 2 Hurdle Achievement Date, provided that Grantee remains continuously employed by the Company on such date.

(iii) 20% of the Performance Units ("Tranche 3 Performance Units") will be eligible to vest on the later of the 2027 Vesting Date or the Tranche 3 Hurdle Achievement Date, provided that Grantee remains continuously employed by the Company on such date.

(iv) 20% of the Performance Units ("Tranche 4 Performance Units") will be eligible to vest on the later of the 2028 Vesting Date or the Tranche 4 Hurdle Achievement Date, provided that Grantee remains continuously employed by the Company on such date.

(v) 20% of the Performance Units ("Tranche 5 Performance Units") will be eligible to vest on the later of the 2029 Vesting Date or the Tranche 5 Hurdle Achievement Date, provided that Grantee remains continuously employed by the Company on such date.

2. Subject to Section 1.6 and Article III of the Agreement, Grantee shall vest in the Performance Units on the earliest of (a) the applicable Vesting Date, provided the Grantee remains employed by the Company or an Affiliate through that date, (b) the Grantee's death, or (c) the Grantee's Disability. If the Grantee has a Qualified Termination during the Performance Period, then the Performance Units shall remain outstanding and eligible to vest based on achievement of the Stock Price Hurdles during the Performance Period. For the avoidance of doubt, the Performance Units shall only be earned if the applicable Stock Price Hurdles are achieved during the Performance Period as described in this Exhibit B. If the Stock Price Hurdles are not achieved as described in this Exhibit B, then the Performance Units shall not vest. In the event that any Performance Units fail to vest during the Performance Period, such unvested Performance Units will be forfeited as of the last day of the Performance Period without consideration payable by the Company and the Grantee will have no further rights with respect thereto.

3. For purposes of this Agreement, the following terms have the following meanings:

"Hurdle Achievement" means, with respect to any applicable Tranche, the occurrence of (i) the closing price per Share, as reported on the Nasdaq Global Select Market, during any twenty (20) consecutive trading day period during the Performance Period *exceeding* (ii) the Stock Price Hurdle applicable to such Tranche. For the avoidance of doubt, Hurdle Achievement for any Tranche must occur during the Performance Period, and any trading days outside of the Performance Period will not be taken into account for purposes of determining whether Hurdle Achievement for any Tranche has occurred. In the event the Shares are not listed on the Nasdaq Global Select Market as of any relevant date of determination during the Performance Period, then any reference in this Agreement to the Nasdaq Global Select Market will be deemed to refer to the principal securities exchange or market on which the Shares are traded or quoted.

"Performance Period" means the period beginning on December 13, 2022 and concluding on December 13, 2029.

"Qualified Termination" means the Grantee's Termination of Employment by the Company without "Cause" or by Grantee for "Good Reason" (as such terms are defined in Grantee's Restated Employment Agreement with the Company, dated as of February 27, 2020.

"Stock Price Hurdle" means the price per Share set forth in the table below; *provided* that the Stock Price Hurdles set forth in the table must be maintained for twenty (20) consecutive trading days in order for such Stock Price Hurdle to be achieved. The Stock Price Hurdle shall be equitably adjusted by the Committee in order to prevent the dilution or enlargement of benefits intended to be provided under this Award Agreement in the event of certain changes in the Company's corporate structure or the occurrence of other events that affect Shares, as contemplated by the Plan.

	Stock Price Hurdle
Tranche 1	$46.25
Tranche 2	$53.96
Tranche 3	$61.66
Tranche 4	$69.37
Tranche 5	$77.08

"Tranche 1 Hurdle Achievement Date" means the date that the Committee determines and certifies achievement of the Tranche 1 Stock Price Hurdle.

"Tranche 2 Hurdle Achievement Date" means the date that the Committee determines and certifies achievement of the Tranche 2 Stock Price Hurdle.

"Tranche 3 Hurdle Achievement Date" means the date that the Committee determines and certifies achievement of the Tranche 3 Stock Price Hurdle.

"Tranche 4 Hurdle Achievement Date" means the date that the Committee determines and certifies achievement of the Tranche 4 Stock Price Hurdle.

"Tranche 5 Hurdle Achievement Date" means the date that the Committee determines and certifies achievement of the Tranche 5 Stock Price Hurdle.

"Vesting Date" means the Tranche 1 Hurdle Achievement Date, Tranche 2 Hurdle Achievement Date, Tranche 3 Hurdle Achievement Date, Tranche 4 Hurdle Achievement Date, Tranche 5 Hurdle Achievement Date, the 2025 Vesting Date, 2026 Vesting Date, 2027 Vesting Date, the 2028 Vesting Date and the 2029 Vesting Date, as applicable.

"2025 Vesting Date" means December 13, 2025.

"2026 Vesting Date" means December 13, 2026.

"2027 Vesting Date" means December 13, 2027.

"2028 Vesting Date" means December 13, 2028.

"2029 Vesting Date" means December 13, 2029.

Special One-Time CEO Award
Time-Based RSUs

ORIGIN BANCORP, INC.
2012 STOCK INCENTIVE PLAN
(as amended and restated effective January 1, 2017)

Incentive Agreement
for Restricted Stock Unit Award

(Time-Based Vesting)

This Incentive Agreement for Restricted Stock Unit Award (the "Agreement") is made this **December 13, 2022** (the "Date of Grant") by and between Origin Bancorp, Inc. (the "Company") and **Drake Mills** (the "Grantee") pursuant to the Origin Bancorp, Inc. 2012 Stock Incentive Plan, as amended and restated effective January 1, 2017 (the "Plan").

WITNESSETH:

WHEREAS, Grantee is employed by the Company in the position of President and Chief Executive Officer; and

WHEREAS, in order to incentivize Grantee to exert substantial efforts to maximize the success of the Company, the Board of Directors desires to grant an award to the Grantee under the Plan upon the conditions and terms contained within this Agreement (the "Award").

NOW, THEREFORE, the Company and Grantee agree as follows:

ARTICLE I.
RESTRICTED STOCK UNITS

1.1 Grant of Restricted Stock Units. The Company hereby grants to Grantee 129,736 Restricted Stock Units (or RSUs), subject to the terms and conditions provided in this Agreement. Each RSU shall represent a right for the Grantee to receive one (1) share of Stock or cash equal to the Fair Market Value thereof, as determined by the Committee, in its sole discretion, as of the applicable Vesting Date. The "Restricted Period" shall mean the period during which the RSUs, or portion thereof, remain unvested. Twenty percent (20%) of the RSUs shall vest on each of the third (3rd), fourth (4th), fifth (5th), sixth (6th) and seventh (7th) anniversaries of the Date of Grant (each, a "Vesting Date"), provided the Grantee remains employed by the Company or an Affiliate through each Vesting Date.

1.2 Issue Price. The Grantee shall not be required to pay any issue price to the Company in exchange for the RSUs granted hereunder or, as applicable, upon the issuance of shares of Stock hereunder.

1.3 Distributions and Voting Rights.

(a) All dividends and other distributions with respect to shares of Stock attributable to the Award that become payable during the Restricted Period will accrue when declared and will be paid to the Grantee, in cash, only upon the settlement of the related RSUs in accordance with the provisions of Section 1.4 below.

(b) The Grantee shall not be entitled to vote shares of Stock attributable to the Award prior to the date(s) on which the Grantee becomes a shareholder of record for such shares of Stock.

1.4 Settlement of Award.

(a) As soon as administratively practicable following each Vesting Date of any RSUs, but in no event later than 30 days after such Vesting Date, the Company shall deliver to the Grantee shares of Stock equal to the number of vested RSUs or cash equal to the Fair Market Value of such shares, or a combination thereof, as determined by the Company in its sole and absolute discretion. The date that the shares and/or cash are delivered shall be the “Settlement Date” of the vested RSUs.

(b) To the extent shares of Stock are issued in settlement of this Award, such shares shall be registered in the name of the Grantee and shall be held by Transfer Agent of the Company in an unrestricted shareholder account. The Company shall direct the Transfer Agent to provide a shareholder statement to the Grantee evidencing outright ownership to the Grantee (or the Grantee’s beneficiary in the event of the Grantee’s death, designated as provided in Section 4.8).

1.5 Vesting. Grantee shall vest in the RSUs on the earliest of (a) the Vesting Date, according to the vesting schedule outlined herein, provided the Grantee remains employed by the Company or an Affiliate through that date, (b) the Grantee’s Qualified Termination (as defined herein), (c) the Grantee’s death, or (d) the Grantee’s Disability. For purposes of this Agreement, the term “Qualified Termination” means the Grantee’s Termination of Employment by the Company without “Cause” or by Grantee for “Good Reason” (as such terms are defined in Grantee’s Restated Employment Agreement with the Company, dated as of February 27, 2020 (the “Employment Agreement”).

1.6 Forfeiture of Award. In addition to events of forfeiture described in Article III, any RSUs that are not vested at the time of the Grantee’s Termination of Employment for any reason other than as prescribed in Section 1.5 shall be forfeited in their entirety. Upon forfeiture, all rights of the Grantee and obligations of the Company hereunder shall be immediately terminated.

ARTICLE II.
CHANGE IN CONTROL OF THE COMPANY

If the Company is not the surviving corporation following a Change in Control, and the surviving corporation following such Change in Control or the acquiring corporation (such surviving corporation or acquiring corporation is hereinafter referred to as the “Acquiror”) does not assume the outstanding Award granted hereunder or does not substitute equivalent equity awards relating to the securities of such Acquiror or its affiliates for such RSUs, then the Award shall become immediately and fully vested on the date of the Change in Control. In addition, the Board of Directors or its designee may, in its sole discretion, provide for a cash payment to be made to the Grantee for the outstanding Award upon the consummation of the Change in Control, determined on the basis of the Fair Market Value that would be received in such Change in Control by the holders of the Company's securities relating to such shares of Stock.

If the Company is the surviving corporation following a Change in Control, or the Acquiror assumes the outstanding Award granted hereunder or substitutes equivalent equity awards relating to the securities of such Acquiror or its affiliates for such RSUs, then the Award or such substitutes therefore shall remain outstanding and be governed by their respective terms and the provisions of the Plan.

ARTICLE III.
GRANTEE'S COVENANTS

3.1 Confidentiality. The Grantee understands and acknowledges that (i) during the Grantee's employment with the Company or any Affiliate thereof, the Grantee will have access to Confidential Information of the Company and its Affiliates; (ii) such Confidential Information and the ability of the Company and its Affiliates to reserve such Confidential Information for their respective and exclusive knowledge and use is of great competitive importance and commercial value to the Company and its Affiliates; (iii) the Company has taken and will continue to take actions to protect the Confidential Information; and (iv) the provisions of this Section are reasonable and necessary to prevent the improper use or disclosure of such Confidential Information. Accordingly, the Grantee agrees that during the term of the Grantee's employment with the Company or any Affiliate thereof and, following the termination of such employment, until such time as the Confidential Information becomes generally available to the public through no fault of the Grantee or other person under a duty of confidentiality to the Company thereof, the Grantee will not, except as required by law or legal process, in any capacity, use or disclose, or cause to be used or disclosed, any Confidential Information the Grantee acquired while employed by the Company or any Affiliate thereof. For purposes of this Agreement, the term "Confidential Information" shall include, without limitation, the identity of customers, personal customer data, strategic plans, sales data and sales strategy, methods, products, procedures, processes, techniques, financial information, vendor and supplier lists, pricing policies, personnel data and other confidential, business, competitive and proprietary information concerning or related to the Company and/or its Affiliates and their respective businesses, operations, financial conditions, results of operations, competitive position and prospects (collectively "Confidential Information"). The parties hereto agree that nothing in this Agreement shall be construed to limit or negate the law of torts or trade secrets where it provides the Company with broader protection than that provided herein.

3.2 Return of Company Property. The parties hereto acknowledge that any material (in computerized or written form) that the Grantee obtains in the course of performing the Grantee's employment duties with the Company or any Affiliate are the sole and exclusive property of the Company, the Grantee agrees to immediately return any and all records, files, computerized data, documents, Confidential Information, or any other property owned or belonging to the Company in the Grantee's possession or under the Grantee's control, without any originals or copies being kept by the Grantee or conveyed to any other person, upon the Grantee's separation from employment or upon the Company's request.

3.3 Non-Competition; Non-Solicitation of Customers/Employees. The Grantee agrees that during Grantee's employment by the Company or any Affiliate thereof and for a period of one (1) year thereafter, in the case of Section 3.3(i) and (ii), or a period of two (2) years thereafter, in the case of Section 3.3(iii), the Grantee will not directly, or indirectly, on behalf of himself or any other person, entity or enterprise, do any of the following:

(i) Divert or attempt to divert from the Company or any Affiliate thereof any business by influencing or attempting to influence or soliciting or attempting to solicit any customers of the Company or any Affiliate thereof or any particular customer with whom the Company or any Affiliate thereof had business contacts in the one-year period immediately preceding the Grantee's termination or with whom the Grantee may have dealt at any time during the Grantee's employment by the Company or an Affiliate thereof. The provisions of this item (i) shall apply in the parishes and counties listed in the Exhibit "A" attached hereto and made a part hereof, as the same may be amended from time to time. The parties agree that Exhibit A may be amended from time to time by the Company, which amendments shall be presented to the Grantee in writing and shall be deemed accepted by the Grantee if the Grantee remains employed by the Company on the third (3rd) business day following receipt of any such amendment.

(ii) Without the prior written consent of the Company, recruit, solicit, hire, attempt to hire, or assist any other person to hire any employee of the Company or an Affiliate thereof or any person who was an employee of the Company or any Affiliate during the six (6) months immediately preceding the Grantee's Termination of Employment.

(iii) (A) carry on or engage in the business of banking, including, without limitation, originating, underwriting, closing and selling loans, receiving deposits and otherwise engaging in the business of banking (the "Competitive Services"), or (B) own, manage, operate, join, control or participate in the ownership, management, operation or control, of any business, whether in corporate, proprietorship or partnership form or otherwise where such business is engaged in the provision of Competitive Services. The provisions of this item shall apply in the parishes and counties listed in the Exhibit "A" attached hereto and made a part hereof, as the same may be amended from time to time. The parties agree that Exhibit A may be amended from time to time by the Company, which amendments shall be presented to the Grantee in writing and shall be deemed accepted by the Grantee if the Grantee remains employed by the Company on the third (3rd) business day following receipt of any such amendment.

(iv) Otherwise assist any person in any way to do, or attempt to do, anything prohibited by the foregoing.

3.4 Remedies. Notwithstanding any other provision of this Agreement, if the Company determines that the Grantee has breached or threatened to breach any provision of this Article III, then, upon written notice of the Company and without consideration, any RSUs whether or not vested shall be immediately forfeited, the shares and cash (including proceeds received upon a sale of the shares) issued to the Participant shall be subject to recoupment and any and all rights to receive any remaining benefits under this Agreement shall be immediately cancelled. In addition, the Company shall be entitled to injunctive and other equitable relief (without the necessity of showing actual monetary damages or of posting any bond or other security): restraining and enjoining any act which would constitute a breach, or (ii) compelling the performance of any obligation which, if not performed, would constitute a breach, as well as any other remedies available to the Company, including monetary damages. Upon the Company's request, the Grantee shall provide reasonable assurances and evidence of compliance with the restrictive covenants set forth in this Article III. If any court of competent jurisdiction shall deem any provision in this Article III too restrictive, the other provisions shall stand, and the court shall modify the unduly restrictive provision to the point of greatest restriction permissible by law. The restrictive covenants set forth in this Article III shall survive the termination of this Agreement, the forfeiture of the Award, and the Grantee's Termination of Employment with the Company and all Affiliates for any reason, and the Grantee shall continue to be bound by the terms of this Article III as if this Agreement was still in effect.

ARTICLE IV. MISCELLANEOUS PROVISIONS

4.1 Adjustments Upon Changes in Stock. In case of any reorganization, recapitalization, reclassification, stock split, stock dividend, distribution, combination of shares, merger, consolidation, rights offering, or any other changes in the corporate structure or shares of the Company, appropriate adjustments may be made by the Committee or the Board of Directors, as the case may be, (or if the Company is not the surviving corporation in any such transaction, the board of directors of the surviving corporation) in the aggregate number and kind of shares subject to the Plan, and the number and kind of shares subject to this Award. Appropriate adjustments may also be made by the Committee or the Board of Directors, as the case may be, in the terms of any Awards under the Plan, subject to the provisions of the Plan, to reflect such changes and to modify any other terms of outstanding Awards on an equitable basis. Any such adjustments made by the Committee or the Board of Directors pursuant to this Section shall be conclusive and binding for all purposes under the Plan.

4.2 Amendment, Suspension, and Termination of Plan.

(a) The Board of Directors may suspend or terminate the Plan or any portion thereof at any time, and, subject to limitations contained therein and, subject to shareholder approval if required, may amend the Plan from time to time in such respects as the Board of Directors may deem advisable in order that any awards thereunder shall conform to any change in applicable laws or regulations or in any other respect the Board of Directors may deem to be in the best interests of the Company; provided, however, that no such amendment, suspension, or termination shall adversely alter or impair the Award granted hereunder without the consent of the Grantee.

(b) The Committee may amend or modify the Award granted hereunder in any manner to the extent that the Committee would have had the authority under the Plan initially to grant the Award as so modified or amended; however, no such amendment or modification shall adversely alter or impair the Award granted hereunder without the consent of the Grantee.

(c) Notwithstanding the foregoing, the Plan and the Agreement may be amended without any additional consideration to the Grantee to the extent necessary to comply with, or avoid penalties under, Section 409A of the Code, even if those amendments reduce, restrict or eliminate rights granted prior to such amendments.

4.3 No Right To Employment/Other Service. None of the actions of the Company in establishing the Plan, the actions taken by the Company, the Board of Directors or the Committee under the Plan, or the granting of the Award pursuant to this Agreement shall be deemed (a) to create any obligation on the part of the Company or any Affiliate or on the Board of Directors of the Company or such Affiliate to retain the Grantee as an employee, consultant, director or other service provider or to nominate Grantee for election to the Board of Directors, or (b) to be evidence of any agreement or understanding, express or implied, that the person has a right to continue as an employee, consultant, other service provider, or non-employee director for any period of time or at any particular rate of compensation.

4.4 Plan and Grant Document Control. The grant of the Award hereunder is governed and controlled by the terms of the Plan and this Agreement. All the provisions of the Plan, as such may be amended from time to time, are hereby incorporated into this Agreement by this reference. All capitalized terms utilized in this Agreement shall have the same meaning as in the Plan, except as otherwise specifically provided herein.

4.5 Governing Law. All matters relating to the Plan or to awards granted under the Plan pursuant to this Agreement shall be governed by and construed in accordance with the laws of the State of Louisiana without regard to the principles of conflict of laws.

4.6 Trust Arrangement. All benefits under the Plan represent an unsecured promise to pay by the Company. The Plan shall be unfunded and the benefits hereunder shall be paid only from the general assets of the Company resulting in the Grantee having no greater rights than the Company's general creditors; provided, however, nothing herein shall prevent or prohibit the Company from establishing a trust or other arrangement for the purpose of providing for the payment of the benefits payable under the Plan.

4.7 No Impact on Benefits. The Award granted hereunder is not compensation for purposes of calculating the Grantee’s rights under any employee benefit plan of the Company or any Affiliate that does not specifically require the inclusion of Awards in calculating benefits.

4.8 Beneficiary Designation. The Grantee may name a beneficiary or beneficiaries to receive any vested portion of the Award that is unpaid at the Grantee's death. Unless otherwise provided in the beneficiary designation, each designation will revoke all prior designations made by the Grantee, must be made in such manner as prescribed by the Committee and will be effective only when received by the Committee (or its authorized delegate). If the Grantee has not made an effective beneficiary designation, the deceased Grantee's beneficiary will be the Grantee's surviving spouse or, if none, the deceased Grantee's estate. The identity of a Grantee's designated beneficiary will be based only on the information included in the latest beneficiary designation received by the Committee (or its authorized delegate) and will not be inferred from any other evidence.

4.9 Taxes. The Company shall have the power and the right to deduct or withhold, or require the Grantee to remit to the Company, the minimum statutory amount to satisfy federal, state and local taxes required by law or regulation to be withheld with respect to any taxable event arising as a result of the Award granted hereunder, if any. No delivery of shares or cash shall be made unless and until appropriate arrangements for the payment of such taxes have been made. With respect to withholding required upon any taxable event arising as a result of the Award granted hereunder, the Grantee may elect, subject to the approval of the Committee, to satisfy the withholding requirement, in whole or in part, by having the Company withhold shares of Stock of the Company having a Fair Market Value on the date the tax is to be determined equal to the minimum statutory total tax that could be imposed on the transaction. Alternatively, the Grantee may elect for such taxes to be withheld from other compensation otherwise due to the Grantee from the Company and provided Grantee's other compensation is sufficient to cover such taxes. All such elections shall be irrevocable, made in writing and signed by the Grantee, and shall be subject to any restrictions or limitations that the Committee, in its sole discretion, deems appropriate. All such elections shall be made and filed with the Committee in the manner determined by the Committee on or before the Vesting Date, or such earlier date as shall be determined by the Committee. If an election has not been made by the Grantee, or the amount of the taxes required to be withheld has not been remitted by the Grantee to the Company on or before the Vesting Date, the Grantee hereby authorizes the Company to withhold from amounts payable under the Award cash or shares of Stock of the Company having a Fair Market Value equal to the tax required to be withheld.

4.10 Gender and Number. Except where otherwise indicated by the context, any masculine term used herein also shall include the feminine, the plural shall include the singular, and the singular shall include the plural.

4.11 Severability. In the event any provision of the Plan or this Agreement shall be held illegal or invalid for any reason, the illegality or invalidity shall not affect the remaining parts of the Plan or this Agreement, and the Plan or this Agreement shall be construed and enforced as if the illegal or invalid provision had not been included.

4.12 Transfer Restrictions. The RSUs issued to the Grantee hereunder may not be sold, transferred by gift, pledged, hypothecated, or otherwise transferred or disposed of by the Grantee prior to the Settlement Date. Any attempt to transfer any RSUs in violation of this Section 4.10 shall be null and void and shall be disregarded. The terms of this Agreement and the Plan shall be binding upon the executors, administrators, heirs, successors and assigns of the Grantee.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed to be effective as of the date first noted above.

	ORIGIN BANCORP, INC.	GRANTEE:
By:	/s/ Derek McGee	/s/ Drake Mills
	Derek McGee	Drake Mills
	Print Name	Print Grantee Name
	Chief Legal Counsel	P.O. Box 2525
	Title	Address
		Ruston, LA 71270
		City, State, Zip Code

Exhibit A

Bienville Parish, Louisiana

Claiborne Parish, Louisiana

Jackson Parish, Louisiana

Lincoln Parish, Louisiana

Morehouse Parish, Louisiana

Ouachita Parish, Louisiana

Union Parish, Louisiana

Hinds Country, Mississippi

Lafayette County, Mississippi

Madison County, Mississippi

Collin County, Texas

Dallas County, Texas

Harris County, Texas

Montgomery County, Texas

Tarrant County, Texas

Smith County, Texas

Gregg County, Texas

Wood County, Texas

Panola County, Texas

Rusk County, Texas

Exhibit 21

SUBSIDIARIES OF THE REGISTRANT

Name of Subsidiary	Jurisdiction of Organization	Parent Entity
Origin Bank	Louisiana	Origin Bancorp, Inc.
Davison Insurance Agency, LLC [1]	Louisiana	Origin Bancorp, Inc.
CTB Statutory Trust 1	Connecticut	Origin Bancorp, Inc.
First Louisiana Statutory Trust I	Delaware	Origin Bancorp, Inc.
BT Holdings Trust I	Delaware	Origin Bancorp, Inc.
CTB Properties, LLC	Louisiana	Origin Bank
CTB/MNG Condominium Association, Inc.	Louisiana	Origin Bank
CTB/HLP Condominium Association, Inc	Louisiana	Origin Bank
Origin Securities, LLC	Delaware	Origin Bank

(1) Davison Insurance Agency, LLC also conducts business as Lincoln Agency Transportation Insurance, Pulley-White Insurance Agency, Inc., The Lincoln Agency, Reeves Coon & Funderburg, Simoneaux & Wallace Agency, and Thomas & Farr Agency.

Consent of Independent Registered Public Accounting Firm

We consent to the incorporation by reference in the Registration Statement of Origin Bancorp, Inc. (the Company) on Form S-8 (No. 333-226115, 333-255879 and 333-266440) and Form S-3 (No. 333-268122) of our reports, dated February 22, 2023, on our audits of the consolidated financial statements of the Company as of December 31, 2022 and 2021, and for each of the years in the three-year period ended December 31, 2022, which report is included in the Company's Annual Report on Form 10-K. We also consent to the incorporation by reference of our report dated February 22, 2023, on our audit of the internal control over financial reporting of Origin Bancorp, Inc. as of December 31, 2022, which is included in the Annual Report on Form 10-K.

FORVIS, LLP (Formerly BKD, LLP)

Little Rock, Arkansas
February 22, 2023

Exhibit 31.1

CERTIFICATION PURSUANT TO SECTION 302 OF THE SARBANES OXLEY ACT OF 2002

I, Drake Mills, certify that:

1. I have reviewed this annual report on Form 10-K of Origin Bancorp, 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 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 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: February 22, 2023	By: **/s/ Drake Mills**
	Drake Mills
	Chairman, President and Chief Executive Officer

Exhibit 31.2

CERTIFICATION PURSUANT TO SECTION 302 OF THE SARBANES OXLEY ACT OF 2002

I, William J. Wallace, IV, certify that:

1. I have reviewed this annual report on Form 10-K of Origin Bancorp, 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 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 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: February 22, 2023

By: **/s/ William J. Wallace, IV**
William J. Wallace, IV
Senior Executive Officer and Chief Financial Officer

Exhibit 32.1

STATEMENT FURNISHED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002, 18 U.S.C. SECTION 1350

In connection with the Annual Report on Form 10-K of Origin Bancorp, Inc. (the “Company”), for the year ended December 31, 2022, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Drake Mills, Chairman, President and Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

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 at the dates and for the periods presented in the financial statements included in such Report.

Date: February 22, 2023

By: **/s/ Drake Mills**
Drake Mills
Chairman, President and Chief Executive Officer

Exhibit 32.2

STATEMENT FURNISHED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002, 18 U.S.C. SECTION 1350

In connection with the Annual Report on Form 10-K of Origin Bancorp, Inc. (the “Company”), for the year ended December 31, 2022, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, William J. Wallace, IV, Senior Executive Officer and Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

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 at the dates and for the periods presented in the financial statements included in such Report.

Date: February 22, 2023

By: **/s/ William J. Wallace, IV**
William J. Wallace, IV
Senior Executive Officer and Chief Financial Officer