

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

Quarterly Report Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934

For the quarter ended March 31, 2003
Commission File No. 2-80070

CASS INFORMATION SYSTEMS, INC.

Incorporated under the laws of MISSOURI
I.R.S. Employer Identification No. 43-1265338

13001 HOLLENBERG DRIVE, BRIDGETON, MISSOURI 63044

Telephone: (314) 506-5500

Indicate by check mark whether the registrant 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, and has been subject to such filing
requirements for the past 90 days.

Yes No

Indicate by check mark whether the registrant is an accelerated filer (as
defined in Rule 12b-2 of the Exchange Act).

Yes No

The number of shares outstanding of registrant's only class of stock as of
April 30, 2003: Common stock, par value \$.50 per share - 3,377,973 shares
outstanding.

This document constitutes part of a prospectus covering securities that
have been registered under the Securities Act of 1933.

TABLE OF CONTENTS

PART I - Financial Information

Item 1. CONSOLIDATED FINANCIAL STATEMENTS

Consolidated Balance Sheets March 31, 2003 (unaudited) and December 31, 2002	3
Consolidated Statements of Income Three months ended March 31, 2003 and 2002 (unaudited)	4
Consolidated Statements of Cash Flows Three months ended March 31, 2003 and 2002 (unaudited)	5
Notes to Consolidated Financial Statements (unaudited)	6

Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS	10
--	----

Item 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK	18
---	----

Item 4. DISCLOSURES AND CONTROLS	18
--	----

PART II - Other Information - Items 1. - 6.	19
--	----

SIGNATURES	20
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CERTIFICATIONS	21
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Forward-looking Statements - Factors That May Affect Future Results

This report may contain or incorporate by reference forward-looking statements
made pursuant to the safe harbor provisions of Section 27A of the Securities Act
of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as
amended. Forward-looking statements are not guarantees of future performance and
involve risks, uncertainties, and other factors, including those set forth in
this paragraph. Important factors that could cause our actual results,

performance, or achievements to be materially different from any future results, performance, or achievements expressed or implied by those statements include, but are not limited to: the failure to successfully execute our corporate plan, the loss of key personnel or inability to attract additional qualified personnel, the loss of key customers, increasing competition, the inability to remain current with rapid technological change, risks related to acquisitions, risks associated with business cycles, utility and system interruptions or processing errors, rules and regulations governing financial institutions and changes in such rules and regulations, credit risk related to borrowers' ability to repay loans, concentration of loans to commercial enterprises, loans to churches and loans in the St. Louis Metropolitan area which creates risks associated with adverse factors that may affect these groups, risks associated with fluctuations in interest rates, and volatility of the price of our common stock. We undertake no obligation to publicly update or revise any forward-looking statements to reflect changed assumptions, the occurrence of anticipated or unanticipated events, or changes to future results over time.

PART I. FINANCIAL INFORMATION

ITEM 1. CONSOLIDATED FINANCIAL STATEMENTS

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

	March 31 2003	December 31 2002
Assets		
Cash and due from banks	\$ 24,873	\$ 24,279
Federal funds sold and other short-term investments	9,941	5,727
	-----	-----
Cash and cash equivalents	34,814	30,006
	-----	-----
Investment in debt and equity securities available-for-sale, at fair value	66,199	69,371
Loans		
Less: Allowance for loan losses	432,084	434,689
	5,387	5,293
	-----	-----
Loans, net	426,697	429,396
	-----	-----
Premises and equipment, net	15,449	15,359
Bank owned life insurance	10,291	10,178
Goodwill	3,150	223
Other intangible assets, net	2,148	379
Other assets	12,219	17,321
	-----	-----
Total assets	\$ 570,967	\$ 572,233
	=====	=====
Liabilities and Shareholders' Equity		
Liabilities:		
Deposits:		
Noninterest-bearing	\$ 92,120	\$ 109,352
Interest-bearing	135,814	134,166
	-----	-----
Total deposits	227,934	243,518
Accounts and drafts payable	264,204	223,621
Short-term borrowings	10,009	37,438
Other liabilities	6,858	6,610
	-----	-----
Total liabilities	509,005	511,187
	-----	-----
Shareholders' Equity:		
Preferred stock, par value \$.50 per share; 2,000,000 shares authorized and no shares issued	--	--
Common stock, par value \$.50 per share; 20,000,000 shares authorized and 4,160,110 shares issued	2,080	2,080
Additional paid-in capital	8,486	8,466
Retained earnings	65,417	64,607
Common shares in treasury, at cost (792,642 shares at March 31, 2003 and 796,278 shares at December 31, 2002)	(15,205)	(15,275)
Unamortized stock bonus awards	(105)	(25)
Accumulated other comprehensive income	1,289	1,193
	-----	-----
Total shareholders' equity	61,962	61,046
	-----	-----
Total liabilities and shareholders' equity	\$ 570,967	\$ 572,233
	=====	=====

See accompanying notes to unaudited consolidated financial statements.

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

	Three Months Ended March 31	
	2003	2002
Interest Income:		
Interest and fees on loans	\$ 6,416	\$ 6,227
Interest and dividends on debt and equity securities:		
Taxable	188	1,195
Exempt from federal income taxes	435	337
Interest on federal funds sold and other short-term investments	100	160
	-----	-----
Total interest income	7,139	7,919
	-----	-----
Interest Expense:		
Interest on deposits	451	548
Interest on short-term borrowings	9	3
	-----	-----
Total interest expense	460	551
	-----	-----
Net interest income	6,679	7,368
Provision for loan losses	90	90
	-----	-----
Net interest income after provision for loan losses	6,589	7,278
	-----	-----
Noninterest Income:		
Freight and utility payment and processing revenue	6,969	5,551
Software revenue	1,778	--
Bank service fees	426	412
Other	129	41
	-----	-----
Total noninterest income	9,302	6,004
	-----	-----
Noninterest Expense:		
Salaries and employee benefits	9,352	7,606
Occupancy expense	436	364
Equipment expense	1,161	1,089
Other	2,828	2,265
	-----	-----
Total noninterest expense	13,777	11,324
	-----	-----
Income before income tax expense	2,114	1,958
Income tax expense	596	612
	-----	-----
Net income	\$ 1,518	\$ 1,346
	=====	=====
Earnings per share*:		
Basic	\$.45	\$.40
Diluted	\$.45	\$.40
Weighted average shares outstanding*:		
Basic	3,362,047	3,360,525
Effect of stock options and awards	33,758	21,924
Diluted	3,396,030	3,382,449

* Earnings per share and weighted average shares outstanding for three months ended March 31, 2002 have been restated to reflect the 5% stock dividend distributed in December 2002.

See accompanying notes to consolidated financial statements.

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

	Three Months Ended March 31	
	2003	2002
Cash Flows From Operating Activities:		
Net income	\$ 1,518	\$ 1,346
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	1,191	961
Provision for loan losses	90	90
Amortization of stock bonus awards	10	8
Tax benefit from exercise of stock options and bonuses	--	186
Decrease (increase) in accrued interest receivable	129	(533)
Deferred income tax benefit	(46)	(260)
Increase in pension liability	292	230
Increase in income tax liability	275	405
Change in other assets	63	(195)
Change in other liabilities	(299)	(391)
Other operating activities, net	8	246
Net cash provided by operating activities	3,231	2,093
Cash Flows From Investing Activities:		
Proceeds from maturities of debt and equity securities available-for-sale	3,144	6,848
Purchase of debt and equity securities available-for-sale	--	(39,388)
Net decrease (increase) in loans	2,609	(2,484)
Purchases of premises and equipment, net	(1,039)	(285)
Net cash provided by (used in) investing activities	4,714	(35,309)
Cash Flows From Financing Activities:		
Net decrease in noninterest-bearing demand deposits	(17,232)	(18,940)
Net increase (decrease) in interest-bearing demand and savings deposits	758	(4,244)
Net increase in time deposits	890	2,584
Net increase (decrease) in accounts and drafts payable	40,583	(3,097)
Net decrease in short-term borrowings	(27,429)	--
Cash proceeds from exercise of stock options	--	348
Cash dividends paid	(707)	(641)
Purchase of common shares for treasury	--	(383)
Net cash used in financing activities	(3,137)	(24,373)
Net increase (decrease) in cash and cash equivalents	4,808	(57,589)
Cash and cash equivalents at beginning of period	30,006	99,855
Cash and cash equivalents at end of period	\$ 34,814	\$ 42,266
Supplemental information:		
Cash paid for interest	\$ 440	\$ 546
Cash paid for income taxes	182	12

See accompanying notes to unaudited consolidated financial statements.

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

Note 1 - Basis of Presentation

The accompanying unaudited consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America for interim financial information and with the instructions to Form 10-Q and Rule 10-01 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by accounting principles generally accepted in the United States of America for complete financial statements. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included. Operating results for the period ended March 31, 2003 are not necessarily indicative of the results that may be expected for the year ending December 31, 2003. For further information, refer to the consolidated financial statements and related footnotes included in the Cass Information System, Inc.'s ("the Company") Annual Report on Form 10-K for the year ended December 31, 2002.

Certain amounts in the 2002 consolidated financial statements have been reclassified to conform to the 2003 presentation. Such reclassifications have no effect on previously reported net income or shareholders' equity. All share and per share data for 2002 has been restated to reflect the 5% stock dividend issued in December 2002.

Note 2 - Impact of New Accounting Pronouncements

In November 2002, the Financial Accounting Standards Board (FASB) issued Interpretation No. 45, "Guarantor's Accounting and Disclosure Requirements for Guarantees Including Indirect Guarantees of Indebtedness to Others, an interpretation of FASB Statements No. 5, 57 and 107 and a rescission of FASB Interpretation No. 34". This interpretation elaborates on the disclosures to be made by a guarantor in its financial statements about its obligation under guarantees issued. The interpretation also clarifies that a guarantor is required to recognize, at inception of a guarantee, a liability for the fair value of the obligation undertaken. The initial recognition and measurement provisions of the interpretation are applicable to guarantees issued or modified after December 31, 2002 and did not have a material effect on the Company's consolidated financial statements. The disclosure requirements are effective for financial statements of periods ending after December 15, 2002 and are included in Note 9 of this report.

In December 2002, the FASB issued Statement of Financial Accounting Standards (SFAS) No. 148, "Accounting for Stock-Based Compensation - Transition and Disclosure, an amendment of FASB Statement No. 123". This statement amends SFAS 123 "Accounting for Stock-Based Compensation", to provide alternative methods of transition for a voluntary change to the fair value method of accounting for stock-based employee compensation. In addition, this statement amends the disclosure requirements of SFAS 123 to require prominent disclosures in both the annual and interim financial statements. Certain of the disclosure modifications are required for fiscal years ending after December 15, 2002 and are included in Note 10 of this report.

Note 3 - Loans by Type

(In Thousands)	March 31, 2003	December 31, 2002
Commercial and industrial	\$96,380	\$101,116
Real estate:		
Mortgage	186,675	176,667
Mortgage - Churches & Related	98,439	105,458
Construction	2,004	3,101
Construction - Churches & Related	37,199	36,074
Industrial revenue bonds	5,730	5,773
Installment	2,009	1,918
Other	3,648	4,582
Total loans	\$432,084	\$434,689

Note 4 - Stock Repurchases

The Board of Directors periodically authorizes the repurchase of shares of outstanding common stock. The Company had no repurchases in the three months ended March 31, 2003 and repurchased 15,664 shares for \$383,000 during the three months ended March 31, 2002. Repurchases are made in the open market or through negotiated transactions from time to time depending on market conditions.

Note 5 - Comprehensive Income

For the three-month periods ended March 31, 2003 and 2002, unrealized gains and losses on debt and equity securities available-for-sale were the Company's only other comprehensive income component. Comprehensive income for the three-month periods ended March 31, 2003 and 2002 is summarized as follows:

(In Thousands)	Three Months Ended March 31	
	2003	2002
Net income	\$ 1,518	\$ 1,346
Other comprehensive income:		
Net unrealized gain (loss) on debt and equity securities available-for-sale, net of tax	96	(505)
Total comprehensive income	\$ 1,614	\$ 841

Note 6 - Industry Segment Information

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

The Transportation Information Services unit provides freight invoice rating, payment, auditing, cost accounting and transportation information services to large corporate shippers. The Utility Information Services unit processes and pays utility invoices, including electricity, gas, water, telephone and refuse, for large corporate entities that have many locations or are heavy users of energy. The Banking Services unit provides banking services primarily to privately-held businesses and churches. The Government Software Services unit provides the public sector with integrated financial, property and human resource management systems. This unit represents the wholly-owned subsidiary, Government e-Management Solutions, Inc. (GEMS). For more information on this subsidiary refer to Note 7.

The Company's accounting policies for segments are the same as those described in the summary of significant accounting policies in the Company's Annual Report on Form 10-K for the year ended December 31, 2002. Management evaluates segment performance based on net income after allocations for corporate expenses and income taxes. Transactions between segments are accounted for at what management believes to be fair value.

All three segments market their services within the United States and no revenue from any customer of any segment exceeds 10% of the Company's consolidated revenue.

Summarized information about the Company's operations in each industry segment for the three month periods ended March, 2003 and 2002, is as follows:

(In Thousands)	Transportation Information Services	Utility Information Services	Banking Services	Governmental Software Services	Corporate and Elim- inations	Total
Quarter Ended March 31, 2003						
Total Revenues	\$ 7,765	\$ 2,722	\$ 3,753	\$ 1,778	\$ (127)	\$ 15,891
Net Income	177	262	1,047	32	--	1,518
Total Assets	238,373	59,593	278,538	6,878	(12,415)	570,967
Goodwill	223	--	--	2,927	--	3,150
Other intangible assets, net	--	--	--	1,769	379	2,148
Quarter Ended March 31, 2002						
Total Revenues	\$ 7,553	\$ 2,204	\$ 3,669	N/A	\$ (144)	\$ 13,282
Net Income	219	120	1,007	N/A	--	1,346

Total Assets	263,132	55,430	261,246	N/A	(2,048)	577,760
Goodwill	223	--	--	--	--	223
Other intangibles, net	--	--	--	--	586	586

Note 7 - Foreclosed assets

On January 2, 2001, the Company foreclosed on certain operating assets to one borrower in order to protect its financial interest in that borrower. The Bank sold these assets to a wholly owned subsidiary, Government e-Management Solutions, Inc. (GEMS) and invested in and stabilized this business. From the date of foreclosure through December 31, 2002 these assets were accounted for as a foreclosed asset that is held for sale.

The Company adopted the provisions of Statement of Financial Accounting Standards (SFAS) No. 144, "Accounting for the Impairment or Disposal of Long-Lived Assets", effective January 1, 2002. SFAS 144 requires that if certain criteria are not met for long-lived asset (disposal) groups classified as held for sale by the end of the fiscal year in which SFAS 144 is initially applied, the related long-lived assets shall be reclassified as held and used. Therefore, on January 1, 2003, the Company reclassified these foreclosed assets as held and used and consolidated its operations into those of the Company. At the time of consolidation, total assets were \$7,004,000, which included \$2,927,000 of goodwill and \$1,847,000 of other intangibles. Total liabilities at the time of consolidation were \$1,706,000.

The Bank has two foreclosed properties that it is carrying in other real estate owned at what management believes to be fair value less cost to sell. The first was foreclosed on August 8, 2001 and is being carried at \$816,000. The second was foreclosed on December 19, 2002 and is being carried at \$296,000. Other real estate owned is included with other assets in the accompanying consolidated balance sheets.

Note 8 - Intangible Assets

The Company accounts for intangible assets in accordance with SFAS 142, "Goodwill and Other Intangible Assets," which requires that intangibles with indefinite useful lives be tested annually for impairment and those with finite useful lives be amortized over their useful lives. Intangible assets for the periods ended March 31, 2003 and December 31, 2002 are as follows:

(In Thousands)	March 31, 2003	December 31, 2002
Goodwill	\$3,150	\$ 223
Customer list	809	--
Software	960	--
Minimum pension liability	379	379
Other intangible assets, net	2,148	379
Total intangible assets	\$5,298	\$ 602

Customer list and software are amortized over 15 years and 4 years, respectively. The minimum pension liability was recorded in accordance with SFAS 87, "Employers' Accounting for Pensions", which requires the Company to record an additional minimum pension liability by the amount of which the accumulated benefit obligation exceeds the sum of the fair value of plan assets and accrued amount previously recorded and offset this liability by an intangible asset to the extent of previously unrecognized prior service costs. The liability and corresponding intangible asset are adjusted annually.

Amortization of intangible assets amounted to \$78,000 for the three-month period ended March 31, 2003. There was no amortization of intangible assets recorded in 2002. Estimated amortization of intangibles over the next five years is as follows: \$311,000 in 2003, 2004, 2005 and 2006 and \$55,000 in 2007.

Note 9 - Commitments and Contingencies

The Company is party to financial instruments with off-balance sheet risk in the normal course of business to meet the financing needs of its customers. These financial instruments include commitments to extend credit, commercial letters of credit and standby letters of credit. The Company's maximum potential exposure to credit loss in the event of nonperformance by the other party to the financial instrument for commitments to extend credit, commercial letters of credit and standby letters of credit is represented by the contractual amounts of those instruments. At March 31, 2003, no amounts have been accrued for any estimated losses for these instruments.

Commitments to extend credit are agreements to lend to a customer as long as there is no violation of any condition established in the contract. Commercial and standby letters of credit are conditional commitments issued by the Company to guarantee the performance of a customer to a third party. These off-balance sheet financial instruments generally have fixed expiration dates or other termination clauses and may require payment of a fee. The approximate remaining term of commercial and standby letters of credit range from less than 1 to 5 years. Since some of the financial instruments may expire without being drawn upon, the total amounts do not necessarily represent future cash requirements. Commitments to extend credit and letters of credit are subject to the same underwriting standards as those financial instruments included on the consolidated balance sheets. The Company evaluates each customer's credit-worthiness on a case-by-case basis. The amount of collateral obtained, if deemed necessary upon extension of the credit, is based on management's credit evaluation of the borrower. Collateral held varies, but is generally accounts receivable, inventory, residential or income-producing commercial property or equipment. In the event of nonperformance, the Company may obtain and liquidate the collateral to recover amounts paid under its guarantees on these financial instruments.

The following table shows conditional commitments to extend credit, standby letters of credit and commercial letters of credit at March 31, 2003:

(In Thousands)	Amount of Commitment Expiration per Period			
	Total	Less than 1 year	1-3 Years	3-5 Years
Unused loan commitments	\$29,067	\$15,467	\$13,600	\$ --
Standby letters of credit	5,372	3,481	1,846	45
Commercial letters of credit	106	106	--	--

The Company and its subsidiaries are involved in various pending legal actions and proceedings in which claims for damages are asserted. Management, after discussion with legal counsel, believes the ultimate resolution of these legal actions and proceedings will not have a material effect upon the Company's consolidated financial position or results of operations.

Note 10 - Stock-Based Compensation

The Company maintains two stock-based compensation plans, a stock bonus plan and a stock option plan. Upon issuance of shares in the stock bonus plan a contra shareholders' equity amount is recorded for the fair value of the shares at the time of issuance and this amount is amortized to expense over the three-year vesting period. The stock option plan is accounted for under APB 25, "Accounting for Stock Issued to Employees", and accordingly the Company recognizes no compensation expense as the price of the Company's employee stock options equals the market price of the underlying stock on the date of grant. The Company elected not to adopt the recognition provisions of the SFAS 123, "Accounting for Stock-Based Compensation", as amended by SFAS 148. An entity that continues to apply APB 25 shall disclose certain pro forma information as if the fair value-based accounting method in SFAS 123 had been used to account for stock-based compensation costs. The required disclosure provisions of SFAS 123, as amended by SFAS 148, are provided in the table below. The Company uses the Black-Scholes option-pricing model to determine the fair value of the stock options at the date of grant. There were 3,636 shares granted in the First Quarter of 2003 and no shares granted in the First Quarter of 2002. The weighted average assumptions for shares granted in 2003 were: an expected life of 7 years, dividend yield of 3.39%, expected volatility of 15% and risk-free interest rate of 3.34%. The following table represents the effect on earnings and diluted earnings per share for the periods ended March 31, 2003 and 2002:

(In Thousands, except per share data)	Three Months Ended March 31	
	2003	2002
Net income:		
As reported	\$ 1,518	\$ 1,346
Add: Stock based compensation expense included in reported net income, net of tax	7	5
Less: Stock based compensation expense determined under the fair value based method for all awards, net of tax	(18)	(17)
Pro forma net income	\$ 1,507	\$ 1,334
Net income per common share:		
Basic, as reported	\$.45	\$.40
Basic, proforma	.45	.40
Diluted, as reported	.45	.40
Diluted, proforma	.44	.39

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

The Company operates in four primary business segments: Transportation Information Services, Utility Information Services and through the Company's wholly owned subsidiaries, Cass Commercial Bank ("the Bank"), Banking Services and Government e-Management Solutions, Inc. (GEMS), Government Software Services. The Company is a payment processing and information services company, whose operations include the processing and payment of freight and utility invoices, preparation of management information, auditing and rating of invoices and other payment-related activities for customers located throughout the United States. The Bank provides specialized banking services to privately-held businesses located primarily in the St. Louis, Missouri metropolitan area and church and church-related entities located in the St. Louis metropolitan area and selected cities throughout the United States. GEMS provides the public sector in the United States with integrated financial, property and human resource management systems.

Critical Accounting Policies

The Company has prepared all of the consolidated financial information in this report in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). In preparing the consolidated financial statements in accordance with U.S. GAAP, management makes estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. There can be no assurances that actual results will not differ from those estimates.

Management has identified the accounting policy related to the allowance for loan losses as critical to the understanding of the Company's results of operations, since the application of this policy requires significant management assumptions and estimates that could result in materially different amounts to be reported if conditions or underlying circumstances were to change. The impact and any associated risks related to these policies on our business operations are discussed in the " Allowance and Provision for Loan Losses" section of this report.

In addition, management evaluates certain long-term assets such as premises and equipment, goodwill, and foreclosed assets for impairment. Generally, recognition of impairment is required when events and circumstances indicate that the carrying amounts of these assets will not be recoverable in the future. If impairment occurs, various methods of measuring impairment may be called for depending on the circumstances and type of asset, including quoted market prices, estimates based on similar assets, and estimates based on valuation techniques such as discounted projected cash flows. Assets held for sale are carried at the lower of cost or fair value less costs to sell. The application of this policy also requires significant management assumptions and estimates that could result in materially different results if conditions or underlying circumstances change.

Consolidation of Subsidiary

On January 2, 2001, the Bank foreclosed on certain operating assets relating to one borrower in order to protect its financial interests. This borrower was a software company that provided the public sector with integrated

financial, property and human resource management systems. The Bank sold these assets to a wholly owned subsidiary, Government e-Management Solutions, Inc. (GEMS) and invested in and stabilized this business. From the date of foreclosure through December 31, 2002 these assets have been accounted for as a foreclosed asset held for sale. Statement of Financial Accounting Standards (SFAS) No. 144, "Accounting for the Impairment or Disposal of Long-Lived Assets", adopted by the Company on January 1, 2002, requires that if certain criteria are not met for long-lived asset (disposal) groups classified as held for sale by the end of the fiscal year in which SFAS 144 is initially applied, the related long-lived assets shall be reclassified as held and used. Therefore, as of January 1, 2003, the Company has reclassified the foreclosed assets relating to GEMS as held and used and consolidated its operations into those of the Company.

Results of Operations

The following paragraphs more fully discuss the results of operations and changes in financial condition for the three-month period ended March 31, 2003 (the "First Quarter of 2003") compared to the three-month period ended March 31, 2002 (the "First Quarter of 2002"). The following discussion and analysis should be read in conjunction with the consolidated financial statements and related notes and with the statistical information and financial data appearing in this report as well as the Company's 2002 Annual Report on Form 10-K. Results of operations for the First Quarter of 2003 are not necessarily indicative of the results to be attained for any other period.

Net Income

The Company's net income was \$1,518,000 for the First Quarter of 2003, a \$172,000 or 12.8% increase compared to net income of \$1,346,000 for the First Quarter of 2002. Diluted earnings per share were \$.45 for the First Quarter of 2003, a 12.5% increase compared to \$.40 for the First Quarter of 2002. The increase in net income in the First Quarter of 2003 over the First Quarter of 2002 was primarily a result of an increase in payment and processing revenue. This was partially offset by a decrease in investment income, due to lower interest rates and an increase in salaries and benefits related to increased processing volume in the freight and utility processing divisions. Return on average assets for the First Quarter of 2003 was 1.04% compared to .93% for the First Quarter of 2002. Return on average equity for the First Quarter of 2003 was 10.13% compared to 9.85% for the First Quarter of 2002.

Net Interest Income

First Quarter of 2003 compared to First Quarter of 2002:

The Company's tax-equivalent net interest income decreased 8.4% or \$640,000 from \$7,579,000 to \$6,939,000. Average earning assets decreased .5% or \$2,505,000 from \$536,821,000 to \$534,316,000. The tax-equivalent net interest margin decreased from 5.73% to 5.27%. The average tax-equivalent yield on earning assets decreased from 6.14% to 5.62%. The average rate paid on interest-bearing liabilities decreased from 1.66% to 1.32%.

The average balances of loans increased \$50,708,000 from \$383,393,000 to \$434,101,000, investment in debt and equity securities, at amortized cost, decreased \$49,756,000 from \$115,900,000 to \$66,144,000, and federal funds sold and other short-term investments decreased \$3,457,000 from \$37,528,000 to \$34,071,000. The average balance of noninterest-bearing demand deposit accounts decreased \$9,485,000 from \$104,378,000 to \$94,893,000, interest-bearing liabilities increased \$7,095,000 from \$134,409,000 to \$141,504,000 and accounts and drafts payable increased \$846,000 from \$286,854,000 to \$287,700,000.

The increase in average loan balances during this period was primarily attributable to the Bank's marketing efforts, both in the commercial and church and church-related areas. The decrease in taxable debt and equity securities and decrease in federal funds sold and other short term investments reflects management's asset allocation decisions given projected liquidity requirements, market interest rates and the attractiveness of alternative investments. Noninterest-bearing demand deposits have decreased primarily due to decreased balances maintained by existing customers. Interest-bearing liabilities increased due to increased deposits by existing customers and new deposit accounts. The moderate increase in average accounts and drafts payable relates to increases in invoice dollars paid reduced by a decrease in the amount of time funds were held by the Company for investment.

The decreases experienced during the First Quarter of 2003 in net interest income and the net interest margin were due primarily to the decline in the general level of interest rates. The Company partially mitigated the

effects of this decline in interest rates by adjusting the allocation of assets in its portfolio to longer-term, higher-yielding assets, increasing balances of tax-exempt securities and increasing the size of the loan portfolio. Nonetheless, the dramatic decline in interest rates adversely affected the Company's net interest income and margin. The Company is positively affected by increases in the level of interest rates due to the fact that its rate sensitive assets significantly exceed its rate sensitive liabilities. Conversely, the Company is adversely affected by decreases in the level of interest rates. This is primarily due to the noninterest-bearing liabilities generated by the Company in the form of accounts and drafts payable. For more information please refer to the tables on pages 12 and 13.

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

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

(Dollars in Thousands)	First Quarter 2003			First Quarter 2002		
	Average Balance	Interest Income/Expense	Yield/Rate	Average Balance	Interest Income/Expense	Yield/Rate
Assets(1)						
Earning assets:						
Loans(2), (3):						
Taxable	\$ 428,352	\$ 6,345	6.01%	\$ 377,260	\$ 6,151	6.61%
Tax-exempt(4)	5,749	108	7.62	6,133	115	7.60
Debt and equity securities(5):						
Taxable	26,584	188	2.87	86,208	1,195	5.62
Tax-exempt(4)	39,560	658	6.75	29,692	509	6.95
Federal funds sold and other short-term investments	34,071	100	1.19	37,528	160	1.73
Total earning assets	534,316	7,399	5.62	536,821	8,130	6.14
Nonearning assets:						
Cash and due from banks	18,976			23,073		
Premises and equipment, net	15,833			16,596		
Intangible assets	5,349			5,349		
Other assets	22,141			9,507		
Allowance for loan losses	(5,327)			(4,941)		
Total assets	\$ 591,288			\$ 586,405		
Liabilities And Shareholders' Equity(1)						
Interest-bearing liabilities:						
Interest-bearing demand deposits	\$ 54,777	\$ 117	.87%	\$ 59,892	\$ 178	1.21%
Savings deposits	35,772	82	.93	45,447	156	1.39
Time deposits of \$100 or more	42,666	213	2.02	23,605	166	2.85
Other time deposits	5,715	39	2.77	4,849	48	4.01
Total interest-bearing deposits	138,930	451	1.32	133,793	548	1.66
Short-term borrowings	2,574	9	1.42	616	3	1.98
Total interest-bearing liabilities	141,504	460	1.32	134,409	551	1.66
Noninterest-bearing liabilities:						
Demand deposits	94,893			104,378		
Accounts and drafts payable	287,700			286,854		
Other liabilities	6,401			5,371		
Total liabilities	530,498			531,012		
Shareholders' equity	60,790			55,393		
Total liabilities and shareholders' equity	\$ 591,288			\$ 586,405		
Net interest income		\$ 6,939			\$ 7,579	
Interest spread			4.30%			4.48%
Net interest margin			5.27%			5.73%

- Balances shown are daily averages.
- For purposes of these computations, nonaccrual loans are included in the average loan amounts outstanding. Interest on nonaccrual loans is recorded when received as discussed further in Note 1 to the Company's 2002 Consolidated Financial Statements.
- Interest income on loans includes net loan fees of \$11,000 and \$56,000 for the First Quarter of 2003 and 2002, respectively.
- Interest income is presented on a tax-equivalent basis assuming a tax rate of 34%. The tax-equivalent adjustment was approximately \$260,000 and \$211,000 for the First Quarter of 2003 and 2002, respectively.
- For purposes of these computations, yields on investment securities are computed as interest income divided by the average amortized cost of the investments.

Analysis of Net Interest Income Changes

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

(In Thousands)	First Quarter 2003 Over 2002		
	Volume	Rate	Total
Increase (decrease) in interest income:			
Loans(1),(2):			
Taxable	\$ 788	\$ (594)	\$ 194
Tax-exempt(3)	(7)	--	(7)
Debt and equity securities:			
Taxable	(590)	(417)	(1,007)
Tax-exempt(3)	165	(16)	149
Federal funds sold and other short-term investments	(14)	(46)	(60)
Total interest income	342	(1,073)	(731)
Interest expense on:			
Interest-bearing demand deposits	(14)	(47)	(61)
Savings deposits	(29)	(45)	(74)
Time deposits of \$100 or more	105	(58)	47
Other time deposits	8	(17)	(9)
Short-term borrowings	7	(1)	6
Total interest expense	77	(168)	(91)
Net interest income	\$ 265	\$ (905)	\$ (640)

- Average balances include nonaccrual loans.
- Interest income includes net loan fees.
- Interest income is presented on a tax-equivalent basis assuming a tax rate of 34%.

Allowance and Provision for Loan Losses

A significant determinant of the Company's operating results is the provision for loan losses and the level of loans charged off. There was a \$90,000 provision made for loan losses during both the First Quarter of 2003 and 2002. Net loans recovered for the First Quarter of 2003 were \$4,000 compared to \$10,000 for the First Quarter of 2002. The provision for loan losses can vary over time based on an ongoing assessment of the adequacy of the allowance for loan losses.

The allowance for loan losses at March 31, 2003 was \$5,387,000 and at December 31, 2002 was \$5,293,000. The ratio of allowance for loan losses to total loans outstanding at March 31, 2003 was 1.25% compared to 1.22% at December 31, 2002. Nonperforming loans were \$3,364,000 or .78% of total loans at March 31, 2003

compared to \$9,194,000 or 2.12% of total loans at December 31, 2002. The decrease from December 31, 2002 is primarily due to two loans totaling \$4,252,000 that were renegotiated in 2002 that are currently performing under their new terms and two loans totaling \$4,891,000 that were contractually past due over 90 days at year-end and were fully paid-off during the First Quarter of 2003. These decreases were partially offset by other loans totaling \$2,834,000 now classified as past due over 90 days. The largest of these has an outstanding balance of \$2,000,000. This loan is to a company in the process of a change in control. It is expected that all past due interest will be brought current when this transaction is completed.

At March 31, 2003, impaired loans totaled \$9,520,000, which included \$49,000 of nonaccrual loans compared with impaired loans at December 31, 2002 of \$12,188,000, which included \$51,000 of nonaccrual loans. The allowance for loan losses on impaired loans was \$881,000 at March 31, 2003. The decrease in impaired loans from December 31, 2002 relates primarily to the decrease in loans contractually past due over 90 days as explained in the previous paragraph. The current balance of \$4,250,000 of loans renegotiated in 2002 relates to two borrowers and although currently performing, are still considered impaired by management. The remaining balance of impaired loans relates to several other borrowers. One represents a borrower that has an outstanding balance of \$1,528,000, which is collateralized by all business assets and has been current on all payments. This borrower has experienced financial difficulties due to general economic conditions. Should its condition not improve, a shortfall in collection of the full principal balance could result. The probable shortfall has been specifically reserved for in the allowance for loan losses. Another borrower has an outstanding balance of \$791,000 collateralized by real estate and with a SBA guarantee. There has been delinquency in loan payments due to slower than expected lease-up of real estate property. The remaining balance is made up of smaller loans, one with a balance of \$481,000 that was renegotiated in the First Quarter of 2003 and is current under the new terms of the agreement.

The allowance for loan losses has been established and is maintained to absorb losses inherent in the loan portfolio. An ongoing assessment of risk of loss is performed to determine if the current balance of the allowance is adequate to cover probable losses in the portfolio. A charge or credit is made to expense to cover any deficiency or reduce any excess. The current methodology employed to determine the appropriate allowance consists of two components, specific and general. The Company develops specific valuation allowances on commercial, commercial real estate, and construction loans when a loan is considered to be impaired. A loan is impaired when, based on an evaluation of current information and events, it is probable that the Company will not be able to collect all amounts due (principal and interest) pursuant to the original contractual terms. The Company measures impairment based upon the present value of expected future cash flows discounted at the loan's original effective interest rate or the fair value of the collateral if the loan is collateral dependent. The general component relates to all other loans, which are evaluated based on loan grade. The loan grade assigned to each loan is typically evaluated on an annual basis, unless circumstances require interim evaluation. The Company assigns a reserve amount consistent with each loan's rating category. The reserve amount is based on loss experience over prescribed periods. In addition to the amounts derived from the loan grades, a portion is added to the general reserve to take into account other factors including national and local economic conditions, downturns in specific industries including loss in collateral value, trends in credit quality at the Company and the banking industry, and trends in risk rating changes. As part of their examination process, federal and state agencies review the Company's methodology for maintaining the allowance for loan losses and the balance in the account. These agencies may require the Company to increase the allowance for loan losses based on their judgments and interpretations about information available to them at the time of their examination.

Summary of Asset Quality

The following table presents information as of and for the three month periods ended March 31, 2003 and 2002 pertaining to the Company's provision for loan losses and analysis of the allowance for loan losses.

(Dollars in Thousands)	Three Months Ended March 31	
	2003	2002
Allowance at beginning of period	\$ 5,293	\$ 4,906
Provision charged to expense	90	90
Loans charged off	(2)	--
Recoveries on loans previously charged off	6	10
Net loan recoveries	4	10
Allowance at end of period	\$ 5,387	\$ 5,006
Loans outstanding:		
Average	\$ 434,101	\$ 383,393
March 31	432,084	383,946
Ratio of allowance for loan losses to loans outstanding:		
Average	1.24%	1.31%
March 31	1.25%	1.30%
Nonperforming loans:		
Nonaccrual loans	\$ 49	\$ 513
Loans past due 90 days or more	2,834	840
Renegotiated loans	481	175
Total non performing loans	\$ 3,364	\$ 1,528
Other impaired loans	\$ 6,156	\$ 4,484
Foreclosed assets	\$ 1,112	\$ 5,690
Nonperforming loans as a percent of average loans	.77%	.40%

Foreclosed assets at March 31, 2002 includes \$5,102,000 related to operating assets of one business, which was foreclosed on by the Bank on January 2, 2001. This entity, Government e-Management Solutions, Inc., is a software company that provides the public sector with integrated financial, property and human resource management systems. As explained earlier, under the provision of SFAS 144, this group of assets was reclassified effective January 1, 2003 and the related operations have been consolidated into those of the Company.

The Bank currently has two properties which it is carrying as other real estate owned at what management believes to be fair value less cost to sell. The first property was foreclosed on August 8, 2001 and is recorded at \$816,000 and the second property was foreclosed on December 19, 2002 and is recorded at \$296,000.

Noninterest Income

Noninterest income is principally derived from payment and processing fees. Processing volumes related to these fees for the three-month periods ended March 31, 2003 and 2002 are as follows:

(In Thousands)	Three Months Ended March 31		
	2003	2002	% Change
Transportation Information Services:			
Invoice Bill Volume	5,666	4,967	14.1%
Invoice Dollar Volume	\$2,053,912	\$1,756,964	16.9%
Utility Information Services:			
Invoice Bill Volume	1,033	779	32.6%
Invoice Dollar Volume	\$825,361	\$612,091	34.8%

Total noninterest income for the First Quarter of 2003 was \$9,302,000, a \$3,298,000 or 54.9% increase compared with the First Quarter of 2002. The Company's freight and utility payment and processing fees for the First Quarter of 2003 were \$6,969,000, a \$1,418,000 or 25.5% increase compared to the First Quarter of 2002. Fees generated from the Transportation Information Services Division in the First Quarter of 2003 were \$4,969,000, an \$837,000 or 20.3% increase compared to the First Quarter of 2002. Processing fees from the Utility Information Services Division in the First Quarter of 2003 were \$2,000,000, a \$582,000 or 41.0% increase compared to the First Quarter of 2002. The increases in fees from the Transportation Information Services Division during the First Quarter of 2003 were due to new customers and new services. These new customers

and services more than offset the effects of the drop in national freight activity over last year's levels. The increases in fees from the Utility Information Services Division were primarily due to the addition of new customers from the marketing efforts of this new segment.

The consolidation of the GEMS resulted in \$1,778,000 in additional noninterest income. As explained earlier, the operating results of this wholly owned subsidiary were consolidated on January 1, 2003. Bank service fees for the First Quarter of 2003 were \$426,000, a \$14,000 or 3.4% increase compared to the First Quarter of 2002. Other noninterest income increased \$88,000 from \$41,000 in the First Quarter of 2002 to \$129,000 in the First Quarter of 2003. This increase is primarily due to income recognized from the increase in the cash surrender value of bank owned life insurance purchased by the Company in the Third Quarter of 2002.

Noninterest Expense

Total noninterest expense for the First Quarter of 2003 was \$13,777,000, a \$2,453,000 or 21.7% increase compared to the First Quarter of 2002. Of this increase, \$1,678,000 was related to the consolidation of GEMS.

Salaries and benefits expense for the First Quarter of 2003 was \$9,352,000, a \$1,746,000 or 23.0% increase compared to the First Quarter of 2002. Of this increase, \$1,024,000 relates to the consolidation of GEMS. The remaining increase was due primarily to an increased staff in both the transportation and utility processing divisions due to an increase in production and to increases in health, worker's compensation and short-term disability insurance and pension expense.

Occupancy expense for the First Quarter of 2003 was \$436,000, a \$72,000 or 19.8% increase compared to the First Quarter of 2002. Of this increase, \$59,000 relates to the consolidation of GEMS. The remaining increase relates primarily to increases in both utility expense and real estate taxes.

Equipment expense for the First Quarter of 2003 was \$1,161,000, an increase of \$72,000 or 6.6% compared to the First Quarter of 2002. Equipment expenses related to the consolidation of GEMS were \$105,000. The increase related to this consolidation was partially offset by a decrease in computer equipment maintenance from the consolidation of equipment within the transportation processing division.

Other noninterest expense for the First Quarter of 2003 was \$2,828,000, an increase of \$563,000 or 24.9% compared to the First Quarter of 2002. The consolidation of GEMS contributed \$490,000 to this increase, \$78,000 of which is the amortization of customer list and software intangible assets. The remaining increase is primarily attributable to marketing and promotional expenses.

Income tax expense for the First Quarter of 2003 was \$596,000, a decrease of \$16,000 or 2.6% compared to the First Quarter of 2002. GEMS contributed \$19,000 to income tax expense in the First Quarter of 2003. This increase from GEMS was more than offset by a decrease due to a shift of investments from taxable securities to tax-exempt securities, which resulted in an effective tax rate for the First Quarter of 2003 of 28% compared with 31% in the First Quarter of 2002.

Financial Condition

Total assets at March 31, 2003 were \$570,967,000, a decrease of \$1,266,000 or .2% from December 31, 2002. Loans, net of the allowance for loan losses, at March 31, 2003 were \$426,697,000, a decrease of \$2,699,000 or .6% from December 31, 2002. Total investments in debt and equity securities at March 31, 2003 were \$66,199,000, a \$3,172,000 or 4.6% decrease from December 31, 2002. Federal funds sold and other short-term investments at March 31, 2003 were \$9,941,000 a \$4,214,000 or 73.6% increase from December 31, 2002.

Total deposits at March 31, 2003 were \$227,934,000, a \$15,584,000 or 6.4% decrease from December 31, 2002. Accounts and drafts payable were \$264,204,000, a \$40,583,000 or 18.1% increase from December 31, 2002. Short-term borrowings at March 31, 2003 were \$10,009,000, a \$27,429,000 or 73.3% decrease from December 31, 2002. Total shareholders' equity at March 31, 2003 was \$61,962,000, a \$916,000 or 1.5% increase from December 31, 2002.

The decrease in loans relates to the normal fluctuations in the loan portfolio that result from new advances, amortization of principal and payoffs. The decrease in debt and equity securities relates to maturing securities. The increase in federal funds sold and other short-term investments and decreases in deposits reflects normal daily and seasonal fluctuations. The ending balances of accounts and drafts payable increased due to both the fact that these balances will fluctuate from period-end to period-end due to the payment processing cycle, which results in lower balances on days when checks clear and higher balances on days when checks are issued and due to special funding arrangements the Company made with a few large customers at year-end. For this reason, average balances are a more meaningful measure of accounts and drafts payable (for average balances refer to the tables on pages 12 and 13). The increase in total shareholders' equity resulted from net income of \$1,518,000; the amortization of the stock bonus plan of \$10,000; and the increase in other comprehensive income of \$96,000; offset by dividends paid of \$707,000 (\$.21 per share) and other items of \$1,000.

Liquidity and Capital Resources

The balances of liquid assets consists of cash and cash equivalents, which include cash and due from banks, federal funds sold, and money market funds were \$34,814,000 at March 31, 2003, an increase of \$4,808,000 or 16.0% from December 31, 2002. At March 31, 2003 these assets represented 6.1% of total assets. These funds are the Company's and its subsidiaries' primary source of liquidity to meet future expected and unexpected loan demand, depositor withdrawals or reductions in accounts and drafts payable.

Secondary sources of liquidity include the investment portfolio and borrowing lines. Total investment in debt and equity securities was \$66,199,000 at March 31, 2003, a decrease of \$3,172,000 or 4.6% from December 31, 2002. These assets represented 11.6% of total assets at March 31, 2003. Of this total, 62% were state and municipal securities, 29% were mortgage-backed securities, 7% were U.S. government agencies and 2% were other securities. Of the total portfolio, 3% matures in less than one year, 36% matures in one to five years and 61% matures in five or more years. The investment portfolio provides secondary liquidity through regularly scheduled maturities, the ability to sell securities and the ability to use these securities in conjunction with repurchase lines of credit.

The Bank has unsecured lines at correspondent banks to purchase federal funds up to a maximum of \$33,000,000. Additionally, the Company maintains secured lines of credit at unaffiliated financial institutions in the maximum amount of \$53,905,000.

The deposits of the Company's banking subsidiary have historically been stable, consisting of a sizable volume of core deposits related to customers that utilize many other commercial products of the bank. The accounts and drafts payable generated by the Company has also historically been a stable source of funds.

Net cash provided by operating activities totaled \$3,231,000 for the First Quarter of 2003, compared to \$2,093,000 for the First Quarter of 2002. Net cash provided by investing activities was \$4,714,000 for the First Quarter of 2003, compared with net cash used of \$35,309,000 for the First Quarter of 2002. Net cash used in financing activities for the First Quarter of 2003 was \$3,137,000, compared with \$24,373,000 for the First Quarter of 2002. The increase in net cash provided by operating activities relates primarily to the consolidation of GEMS. Net cash provided by investing activities in the First Quarter of 2003 compared with net cash used in the First Quarter of 2002 relates primarily to the purchase of debt and equity securities in the First Quarter of 2002. The decrease in net cash used in financing activities in the First Quarter of 2003 relates primarily to the increase in accounts and drafts payable, which was offset by a decrease in deposits and short-term borrowings. Balances in accounts and drafts payable can vary significantly from day to day due to the Company's payment cycle and therefore balances on any one particular day are not necessarily reflective of balances throughout the year.

The Company faces market risk to the extent that its net interest income and fair market value of equity are affected by changes in market interest rates. For information regarding the market risk of the Company's financial instruments, see Item 3. "QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK".

Risk-based capital guidelines require the Company to meet a minimum total capital ratio of 8.0% of which at least 4.0% must consist of Tier 1 capital. Tier 1 capital generally consists of (a) common shareholders' equity (excluding the unrealized market value adjustments on the available-for-sale securities), (b) qualifying perpetual preferred stock and related surplus subject to certain limitations specified by the FDIC, (c) minority interests in the equity accounts of consolidated subsidiaries less (d) goodwill, (e) mortgage servicing rights within certain limits, and (f) any other intangible assets and investments in subsidiaries that the FDIC determines should be deducted from Tier 1 capital. The FDIC also requires a minimum leverage ratio of 3.0%, defined as the ratio of Tier 1 capital less purchased mortgage servicing rights to total assets, for banking organizations deemed the strongest and most highly rated by banking regulators. A higher minimum leverage ratio is required of less highly rated banking organizations. Total capital, a measure of capital adequacy, includes Tier 1 capital, allowance for loan losses, and debt considered equity for regulatory capital purposes.

The Company and the Bank continue to exceed all regulatory capital requirements, as evidenced by the following capital amounts and ratios at March 31, 2003 and December 31, 2002:

March 31, 2003	Amount	Ratio

Total capital (to risk-weighted assets)		
Cass Information Systems, Inc.	\$62,910,000	12.63%
Cass Commercial Bank	29,200,000	11.61
Tier I capital (to risk-weighted assets)		
Cass Information Systems, Inc.	\$57,523,000	11.55%
Cass Commercial Bank	26,093,000	10.37
Tier I capital (to average assets)		
Cass Information Systems, Inc.	\$57,523,000	9.78%
Cass Commercial Bank	26,093,000	8.91

December 31, 2002 Amount		Ratio

Total capital (to risk-weighted assets)		
Cass Information Systems, Inc.	\$59,625,000	12.07%
Cass Commercial Bank	27,425,000	10.94
Tier I capital (to risk-weighted assets)		
Cass Information Systems, Inc.	\$54,332,000	11.00%
Cass Commercial Bank	24,412,000	9.74
Tier I capital (to average assets)		
Cass Information Systems, Inc.	\$54,332,000	9.16%
Cass Commercial Bank	24,412,000	8.98

Inflation

The Company's assets and liabilities are primarily monetary, consisting of cash, cash equivalents, securities, loans, payables and deposits. Monetary assets and liabilities are those that can be converted into a fixed number of dollars. The Company's consolidated balance sheet reflects a net positive monetary position (monetary assets exceed monetary liabilities). During periods of inflation, the holding of a net positive monetary position will result in an overall decline in the purchasing power of a company. Management believes that replacement costs of equipment, furniture, and leasehold improvements will not materially affect operations. The rate of inflation does affect certain expenses, such as those for employee compensation, which may not be readily recoverable in the price of the Company's services.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

As described in the Company's Annual Report on Form 10-K for the year ended December 31, 2002, the Company manages its interest rate risk through measurement techniques that include gap analysis and a simulation model. As part of the risk management process, asset/liability management policies are established and monitored by management. The policy objective is to limit the change in annualized net interest income to 15% from an immediate and sustained parallel change in interest rates of 200 basis points. Based on the Company's most recent evaluation, management does not believe the Company's risk position at March 31, 2003 has changed materially from that at December 31, 2002.

ITEM 4. DISCLOSURES AND CONTROLS

The Company maintains controls and procedures designed to ensure that the information it is required to disclose in the reports it files with the SEC is recorded, processed, summarized and reported to management, including the Chief Executive Officer and Chief Financial Officer within the time periods specified in the rules of the SEC. The Company's Chief Executive and Chief Financial Officers have reviewed and evaluated these controls within 90 days of the filing of this report and based on their evaluation believe that these procedures are effective to ensure that the Company is able to collect, process and disclose the information it is required to disclose in the reports it files with the SEC within the required time periods.

Since the date of the most recent evaluation of the Company's internal controls by the Chief Executive and Chief Financial Officers, there have been no significant changes in such controls or in other factors that could have significantly affected those controls, including any corrective actions.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

None

ITEM 2. CHANGES IN SECURITIES

None

ITEM 3. DEFAULTS IN SENIOR SECURITIES

None

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

None

ITEM 5. OTHER INFORMATION

None

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

(a) Exhibit 3.2 Amended and Restated Bylaws of Registrant.

Exhibit 10.1 Form of Directors' Indemnification Agreement.

Exhibit 99.1 Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

Exhibit 99.2 Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

(b) Reports of Form 8-K

No reports on Form 8-K were filed in the quarter ended March 31, 2003.

SIGNATURES

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

CASS INFORMATION SYSTEMS, INC.

DATE: May 14, 2003

By /s/ Lawrence A. Collett

Lawrence A. Collett
Chairman and Chief Executive Officer

DATE: May 14, 2003

By /s/ Eric H. Brunngraber

Eric H. Brunngraber
Vice President-Secretary
(Chief Financial and Accounting Officer)

CERTIFICATIONS

I, Lawrence A. Collett, Chairman and Chief Executive Officer of Cass Information Systems, Inc., certify that:

1. I have reviewed this quarterly report on Form 10-Q of Cass Information Systems, Inc.;
2. Based on my knowledge, this quarterly 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 quarterly report;
3. Based on my knowledge, the financial statements, and other financial information included in this quarterly 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 quarterly report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and we have:
 - a) designed such disclosure controls and procedures 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 quarterly report is being prepared;
 - b) evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this quarterly report (the "Evaluation Date"); and
 - c) presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;
5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent function):
 - a) all significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and
 - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and
6. The registrant's other certifying officers and I have indicated in this quarterly report whether or not there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

/s/ Lawrence A. Collett

Lawrence A. Collett
Chairman and Chief Executive Officer
May 14, 2003

I, Eric H. Brunngraber, Chief Financial and Accounting Officer of Cass Information Systems, Inc., certify that:

1. I have reviewed this quarterly report on Form 10-Q of Cass Information Systems, Inc.;
2. Based on my knowledge, this quarterly 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 quarterly report;
3. Based on my knowledge, the financial statements, and other financial information included in this quarterly 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 quarterly report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and we have:
 - a) designed such disclosure controls and procedures 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 quarterly report is being prepared;
 - b) evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this quarterly report (the "Evaluation Date"); and
 - c) presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;
5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent function):
 - a) all significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and
 - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and
6. The registrant's other certifying officers and I have indicated in this quarterly report whether or not there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

/s/ Eric H. Brunngraber

Eric H. Brunngraber
Vice President - Secretary
(Chief Financial and Accounting Officer)
May 14, 2003

AMENDED AND RESTATED

BYLAWS
of
CASS INFORMATION SYSTEMS, INC.
(the "Corporation")

ARTICLE I

Offices

Section 1.1 Principal Office: The principal office of the Corporation shall be located at such place either within or without the State of Missouri as the Board of Directors may from time to time designate. The Corporation may have such other offices, either within or without the State of Missouri, as the business of the Corporation may require from time to time.

Section 1.2 Registered Office: The location of the registered office of the Corporation and the name of the Corporation's registered agent in the State of Missouri shall be as determined from time to time by the Board of Directors, and as filed in the manner provided by law.

ARTICLE II

Shareholders

Section 2.1 Annual Meeting: The annual meeting of the shareholders shall be held at 11:00 a.m. on the third Monday in April of each year, for the purpose of electing directors and for the transaction of such other business as may come before the meeting. If the day fixed for the annual meeting shall be a legal holiday in the place designated for the meeting, such meeting shall be held on the next succeeding business day.

Section 2.2 Special Meetings: Special meetings of the shareholders may be called at any time by the Chairman of the Board of Directors, the Chief Executive Officer, or by the Board of Directors by giving notice thereof in the manner hereafter provided. The business to be conducted at a special meeting is limited to the purpose or purposes specified in the written notice of such meeting.

Section 2.3 Place of Meeting: The Board of Directors may designate any place, either within or without the State of Missouri, as the place of meeting for any annual meeting of the shareholders or for any special meeting of the shareholders called by the Board of Directors. If no designation is made, or if a special meeting be otherwise called, the place of meeting shall be the principal office of the Corporation.

Section 2.4 Notice of Meetings: Written or printed notice stating the place, day and hour of the meeting and, in case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered either personally or by mail, by or at the direction of the Chairman of the Board, the Chief Executive Officer, the Secretary, or the persons calling the meeting, to each shareholder of record entitled to vote at such meeting, not less than ten nor more than 70 days before the date of the meeting, unless, as to a particular matter, other or further notice is required by law, in which case such other or further notice shall be given. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail addressed to the shareholder at his address as it appears on the records of the Corporation, with postage thereon prepaid.

Section 2.5 Closing of Transfer Books or Fixing of Record Date: The Board of Directors of the Corporation may close its stock transfer books for a period not exceeding 70 days preceding the date of any meeting of shareholders, or the date for the payment of any dividend or for the allotment of rights, or the date when any change, exchange or conversion of shares shall be effective; or, in lieu of closing the stock transfer books and to the extent permitted by the Bylaws, the Board of Directors may fix in advance a date, not exceeding 70 days preceding the date of any meeting of shareholders, or the date for the payment of any dividend, or for the allotment of rights, or the date when any change, exchange or conversion of shares shall be effective, as the record date for the determination of shareholders entitled to notice of, and to vote at, any such meeting and any adjournment thereof, or entitled to receive payment of any such dividend or any such allotment of rights, or entitled to exercise rights in respect of any such change, exchange or conversion of shares; and only the shareholders of record on such date of closing the transfer books, or on the record date so fixed, shall be the shareholders entitled to notice of, and to vote at, such meeting, and any adjournment thereof, or to receive payment of such dividend, or to receive such allotment of rights, or to exercise such rights, in the event of an exchange, change or conversion of shares, as the case may be, notwithstanding any transfer of shares on the books of the Corporation after the date of closing of the transfer books or the record date fixed as aforesaid. If the Board of Directors shall not have closed the transfer books or set a record date for the determination of its stockholders entitled to notice of, and to vote at a meeting of the shareholders, only the shareholders who are shareholders of record at the close of business on the 20th day preceding the

date of the meeting shall be entitled to notice of, and to vote at, the meeting, and any adjournment thereof, except as otherwise provided by statute.

Section 2.6 Voting Lists: At least ten days before each meeting of shareholders, the officer or agent having charge of the transfer book for shares of the Corporation shall make a complete list of the shareholders entitled to vote at such meeting, arranged in alphabetical order with the address of and the number of shares held by each, which list, for a period of ten days prior to such meeting, shall be kept on file at the registered office of the Corporation and shall be subject to inspection by any shareholder at any time during usual business hours. Such list shall also be produced and kept open at the time and place of the meeting and shall be subject to the inspection of any shareholder during the whole time of the meeting. The original share ledger or transfer book, or a duplicate thereof kept in the State of Missouri, shall be prima facie evidence as to who are the shareholders entitled to examine such list or share ledger or transfer book or to vote at any meeting of shareholders.

Section 2.7 Quorum: A majority of the outstanding shares of the Corporation, entitled to vote at any meeting, represented in person or by proxy, shall constitute a quorum at any meeting of the shareholders; provided, however, that if less than a majority of the outstanding shares entitled to vote are represented at said meeting, a majority of the shares so represented may adjourn the meeting, from time to time, without further notice, to a specified date not longer than 90 days after such adjournment. Every decision of a majority of such quorum shall be valid as a corporate act unless a larger vote is required by law.

Section 2.8 Proxies: At all meetings of shareholders, a shareholder may vote by proxy executed in writing by the shareholder or by his duly authorized attorney-in-fact. Such proxy shall be filed with the Secretary of the Corporation before or at the time of the meeting. No proxy shall be valid after eleven months from the date of its execution, unless otherwise provided in the proxy.

Section 2.9 Voting of Shares: Except as otherwise required by applicable law, or as otherwise provided herein or in the Articles of Incorporation, each outstanding share of capital stock entitled to vote shall be entitled to one vote upon each matter submitted to a vote at a meeting of shareholders.

Section 2.10 Voting of Shares by Certain Holders: Shares standing in the name of another corporation, domestic or foreign, may be voted by such officer, agent, or proxy as the bylaws of such corporation may prescribe, or, in the absence of such provision, as the board of directors of such corporation may determine.

Shares standing in the name of a deceased person may be voted by his administrator or executor, either in person or by proxy. Shares standing in the name of a guardian, curator, or trustee may be voted by such fiduciary, either in person or by proxy, but no guardian, curator, or trustee shall be entitled, as such fiduciary, to vote shares held by him without a transfer of such shares into his name.

Shares standing in the name of a receiver may be voted by such receiver, and shares held by or under the control of a receiver may be voted by such receiver without the transfer thereof into his name if authority so to do be contained in an appropriate order of the court by which such receiver was appointed.

A shareholder whose shares are pledged shall be entitled to vote such shares until the shares have been transferred into the name of the pledgee, and thereafter the pledgee shall be entitled to vote the shares so transferred.

Section 2.11 No Cumulative Voting: In all elections of Directors of the Corporation, each share shall be entitled to one vote as to each Director to be elected and no shareholder shall have the right to cast votes in the aggregate or to cumulate his or her votes for the election of any Director, and cumulative voting of shares in elections of Directors is hereby specifically negated.

Section 2.12 Actions of Shareholders Without a Meeting: Any action required or permitted to be taken at a meeting of the shareholders may be taken without a meeting if consents in writing, setting forth the action so taken, shall be signed by all the shareholders entitled to vote with respect to the subject matter thereof. Such consents shall have the same force and effect as a unanimous vote of the shareholders at a meeting duly held, and may be stated as such in any certificate or document filed under the laws of Missouri pertaining to business Corporations. The Secretary shall file such consents with the minutes of the meetings of the shareholders.

Section 2.13 Advance Notice of Shareholder Proposals: At an annual meeting of the shareholders, only such business shall be conducted as shall have been properly brought before the meeting. To be properly brought before an annual meeting, business must be: (a) specified

in the notice of meeting (or any supplement thereto) given by or at the direction of the Board of Directors; (b) otherwise properly brought before the meeting by or at the direction of the Board of Directors; or (c) otherwise properly brought before the meeting by a shareholder. For business to be properly brought before an annual meeting by a shareholder, the shareholder must have given timely notice thereof in writing to the Secretary of the Corporation. To be timely, a shareholder's notice must be delivered to or mailed and received at the principal executive offices of the Corporation, not less than 60 days nor more than 90 days prior the first anniversary of the preceding year's annual meeting; provided, however, that if the date of the meeting is changed by more than 30 days before or after such anniversary date, notice by the shareholder to be timely must be so received not later than the close of business on the tenth day following the day on which such notice of the date of the annual meeting was mailed or such public disclosure was made. A shareholder's notice to the Secretary shall set forth as to each matter the shareholder proposes to bring before the annual meeting: (a) a brief description of the business desired to be brought before the annual meeting and the reasons for conducting such business at the annual meeting; (b) the name and address, as they appear on the Corporation's books, of the shareholder proposing such business; (c) the class and number of shares of the Corporation which are beneficially owned by the shareholder; and (d) any material interest of the shareholder in such business. Notwithstanding anything in the Bylaws to the contrary, no business shall be conducted at any annual meeting except in accordance with the procedures set forth in this Section 2.13. The Chairman of the annual meeting shall, if the facts warrant, determine and declare to the meeting that business was not properly brought before the meeting and in accordance with the provisions of this Section 2.13, and if he or she should so determine, he or she shall so declare to the meeting and any such business not properly brought before the meeting shall not be transacted.

Nothing in this Section 2.13 shall alter the timeliness and other requirements of Rule 14a-8, promulgated by the Securities Exchange Commission, or any successor thereto (to the extent the Corporation is subject to such Rule or successor), for inclusion of shareholders' proposals in the Corporation's proxy statement with respect to a meeting of shareholders.

ARTICLE III

Directors

Section 3.1 General Powers: The property, business and affairs of the Corporation shall be controlled and managed by its Board of Directors.

Section 3.2 Number and Qualifications: The Board of Directors, by the affirmative vote of not less than 70 percent of the authorized number of directors at a meeting duly called and held, shall have the power to increase or decrease the number of directors, provided that no decrease in the number of directors shall operate to remove a director prior to the expiration of his term.

Each director shall be a natural person at least 18 years old. A director need not be a shareholder, a citizen of the United States, or a resident of the State of Missouri.

Section 3.3 Term and Election: The term of office of each Director shall be three years, and as nearly as practicable, taking into account increases or decreases in the number of Directors constituting the Board of Directors, one-third of the Board of Directors shall be elected each year at the annual meeting, the Directors so elected filling the place of retiring Directors. In the event of a change in the number of Directors, the resolution effectuating such change shall specify the years in which the terms of the directorships thereby created shall first expire. Vacancies occurring in the Board of Directors, including vacancies due to an increase in the number of Directors, may be filled by the Directors then in office. Any Director may succeed himself or herself.

Section 3.4 Meeting of Newly Elected Board: The first meeting of each newly elected Board shall be at the regular meeting of the Board of Directors next occurring after the annual meeting of shareholders, without other notice than this Bylaw. Upon his election, each director shall qualify by accepting the office of director, and his attendance at, or his written approval of the minutes of, any meeting of the newly elected directors shall constitute his acceptance of such office, or he may execute such acceptance by a separate writing, which shall be placed in a minute book.

Section 3.5 Regular Meetings: Regular meetings of the Board may be held without other notice than this Bylaw at such times and places either within or without the State of Missouri as shall from time to time be fixed by resolution adopted by the full Board of Directors. Any business may be transacted at a regular meeting.

Section 3.6 Special Meetings: Special Meetings of the Board of Directors may be called by or at the request of the Chairman of the Board, the Chief Executive Officer or any two or more of the directors, by giving notice thereof in the manner hereinafter provided. The person or persons calling such meeting may fix any place either within or without the State of Missouri as the place for holding such special meeting.

Section 3.7 Notice: Notice of any special meeting, stating the place, date and time of the meeting shall be given at least three business days previously thereto by written notice delivered to each director either personally or by mail or telegram to his residence or usual place of business; provided, however, that if the designated meeting place is without the State of Missouri, an additional three days' notice shall be given. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail properly addressed, with postage thereon prepaid; provided, that if the place of mailing is without the State of Missouri, the notice shall be deemed to be delivered on the second business day after such deposit. If notice be given by telegram, such notice shall be deemed to be delivered when the telegram is delivered to the telegraph company. Neither the business to be transacted at nor the purpose of, any regular or special meeting of the Board of Directors need be specified in the notice of such meeting.

Section 3.8 Quorum: A majority of the full Board of Directors from time to time constituted shall constitute a quorum for the transaction of business at any meeting of the Board of Directors, provided that if less than a majority of the directors are present at said meeting, a majority of the directors present may adjourn the meeting from time to time to a specified date not longer than 30 days from the last adjournment without further notice.

Section 3.9 Manner of Acting: The act of the majority of the directors present at a meeting of the directors at which a quorum is present shall be the act of the Board of Directors. Members of the Board of Directors, or of any committee designated by the Board of Directors, may participate in a meeting of the Board or committee by means of conference telephone or similar communications equipment whereby all persons participating in the meeting can hear each other, and participation in a meeting in this manner shall constitute presence in person at such meeting.

Section 3.10 Vacancies: Vacancies on the Board of Directors and newly created directorships resulting from an increase in the number of directors may be filled by a majority of the directors then in office, though less than a quorum, until the election of directors at the next annual meeting of the shareholders; except that, so long as directors are elected by class pursuant to Section 3.3 of these Bylaws, a director elected by the Board of Directors pursuant to this section to fill a vacancy or to a newly created directorship need not be presented for election by shareholders until the class to which the director has been so elected by the Board of Directors is presented for election by the shareholders.

Section 3.11 Actions of Board of Directors Without A Meeting: Any action which is required to be or may be taken at a meeting of the Board of Directors or any committee thereof may be taken without a meeting if consents in writing, setting forth the action so taken, are signed by all of the directors or committee members, as the case may be. The consents shall have the same force and effect as a unanimous vote at a meeting duly held, and may be stated as such in any certificate or document under the laws of Missouri pertaining to business corporations. The secretary shall file the consents with the minutes of the meetings of the board of directors or committee, as the case may be.

Section 3.12 Executive Committee: The Board of Directors by resolution adopted by a majority of the whole Board may designate two or more directors to constitute an Executive Committee, which Committee shall meet at frequent or regular intervals as determined by resolutions from time to time adopted by the Board, and shall have and exercise, to the extent provided in such resolutions, all of the authority of the Board of Directors in the management of the Corporation; provided, however, that: (i) the Executive Committee shall report all of its decisions and actions to the Board of Directors at the next meeting of the Board of Directors thereafter occurring; (ii) the Executive Committee shall at all times be subject to the general supervision and control of the Board of Directors; (iii) members of such Committee may be removed, and new members appointed, at any time by the majority vote of the whole Board; and (iv) the designation of such Committee and the delegation thereto of the authority herein provided shall not operate to relieve the Board of Directors, or any member thereof, of any responsibility imposed upon such Board, or upon any individual member thereof, by law.

Section 3.13 Attendance: Whenever a Director shall fail to attend the regular monthly meetings of the Board of Directors, or shall fail to perform the duties devolved upon him as such Director, for three successive meetings, without being excused by the Board, he shall cease to be a Director and his office shall be vacant, but he shall not be disqualified from thereafter being eligible for re-election to the Board, provided the Board of Directors, in its discretion, shall not declare him ineligible.

Section 3.14 Removal of Director: Directors may be removed from office only for cause, and only by the affirmative vote of the holders of 75 percent of the outstanding shares entitled to vote or by 70 percent of the authorized number of Directors other than the Director to be removed.

ARTICLE IV

Officers

Section 4.1 Number: The officers of the Corporation shall be a Chief Executive Officer, a President, a Secretary, and such other officers as may be elected in accordance with the provisions of this Article. The Board of Directors, by resolution, may also elect as officers a Chairman of the Board, a Treasurer, one or more Vice Presidents, one or more Assistant Treasurers and Assistant Secretaries and such other officers as the Board of Directors may from time to time deem advisable and appoint by resolution. Any two or more offices may be held by the same person, except the offices of President and Secretary.

All officers and other agents of the Corporation, as between themselves and the Corporation, shall have such authority and perform such duties in the management of the property and affairs of the Corporation as may be provided herein, or, in the absence of such provision, as may be determined by resolution of the Board of Directors.

Section 4.2 Election and Term of Office: The officers of the Corporation shall be elected annually by the Board of Directors at the first meeting of the Board of Directors held after each annual meeting of shareholders. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as conveniently may be. Vacancies may be filled or new offices created and filled at any meeting of the Board of Directors. Each officer shall hold office until his successor shall have been duly elected and shall have qualified or until his death or until he shall resign or shall have been removed in the manner hereinafter provided.

Section 4.3 Removal: Any officer or agent elected or appointed by the Board of Directors may be removed by the Board of Directors with or without cause, but such removal shall be without prejudice to the contract rights, if any, of the person so removed. Removal shall be effected automatically by the election of a successor to such office or position.

Section 4.4 Vacancies: A vacancy in any office may be filled by the Board of Directors for the unexpired portion of the term.

Section 4.5 Chief Executive Officer: The powers of the Chief Executive Officer of the Corporation shall be vested in the Chairman of the Board when designated by the Board of Directors as the Chief Executive Officer. If there shall not be a Chief Executive Officer designated by the Board of Directors, the powers of the chief executive officer shall be vested in the President. The offices of Chief Executive Officer and President may be held by the same person. If the offices of Chief Executive Officer and the President are held by the same person, such person need not be the Chairman of the Board. If the powers of the Chief Executive Officer shall be vested solely in the Chairman of the Board, the President shall be subordinate only to the Chairman of the Board and shall be the chief operating officer of the Corporation and shall be in charge of, and exercise general supervisory control over, all operating phases and departments of the Corporation and the President need then not be a member of the Board of Directors.

The Chairman of the Board shall preside at all meetings of the shareholders and of the Board of Directors, unless as otherwise directed by the Board of Directors.

The Chief Executive Officer of the Corporation may execute, either alone or with any other proper officer thereunto authorized by the Board of Directors, deeds, mortgages, bonds, notes, contracts, or any other instruments for and in the name of the Corporation, except in cases where the execution thereof shall be expressly delegated by the Board of Directors or by these Bylaws to some other officer or agent of the Corporation or shall be required by law to be otherwise executed. The Chief Executive Officer shall also, unless the Board otherwise provides, be ex officio a member of all standing committees. In general, the Chief Executive Officer shall perform all duties usually vested in the Chief Executive Officer of a Corporation and such other duties as may be prescribed from time to time by the Board of Directors.

Section 4.6 Vice President: One or more Vice Presidents may be elected, and one or more of such Vice Presidents may be designated by the Board of Directors as Executive Vice Presidents. The Vice Presidents shall perform such duties as from time to time may be assigned to them by the Chief Executive Officer or the Board of Directors or the Executive Committee.

Section 4.7 Treasurer: If required by the Board of Directors, the Treasurer shall give a bond for the faithful discharge of his duties in such sum and with such surety or sureties as the Board of Directors shall determine. He shall have charge and custody of and be responsible for all funds and securities of the Corporation; receive and give receipts for moneys due and payable to the Corporation from any source whatsoever, and deposit all such moneys in the name of the Corporation in such banks, trust companies or other depositories as shall be selected in accordance with the provisions of Article V of these Bylaws; keep or cause to be kept all books of account and accounting records of the Corporation; and in general perform all the duties incident to the office of Treasurer and such other duties as from time to time may be assigned to him by the Chief Executive Officer or the Board of Directors or the Executive Committee.

Section 4.8 Secretary: The Secretary shall keep the minutes of the shareholders' and the Board of Directors' meetings in one or more books provided for that purpose; see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law; be custodian of the corporate records and of the seal of the Corporation and see that the seal of the Corporation is affixed to all certificates for shares prior to the issue thereof and to all documents, the execution of which on behalf of the Corporation under its seal is duly authorized in accordance with the provisions of these Bylaws; keep a register of the post office address of each shareholder which shall be furnished to the Secretary by such shareholder; sign with the Chairman of the Board, the Chief Executive Officer, President, or a Vice President, certificates for shares of the Corporation, the issue of which shall have been authorized by resolution of the Board of Directors; have general charge of the stock transfer books of the Corporation; and in general perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him by the Chief Executive Officer or the Board of Directors or by the Executive Committee.

Section 4.9 Assistant Treasurers and Assistant Secretaries: The Assistant Treasurers, if any, shall respectively, if required by the Board of Directors, give bonds for the faithful discharge of their duties in such sums and with such sureties as the Board of Directors shall determine. The Assistant Treasurers and Assistant Secretaries, if any, shall perform the duties of the Treasurer and Secretary respectively, in their absence, and shall perform such other duties as shall be assigned to them by the Treasurer or the Secretary, respectively, or by the Chief Executive Officer or the Board of Directors or the Executive Committee.

Section 4.10 Salaries: The salaries of the officers of the Corporation shall be established from time to time in such manner as directed by the Board of Directors, and no officer shall be prevented from receiving such salary by reason of the fact that he is also a Director of the Corporation.

ARTICLE V

Contracts, Loans, Checks and Deposits

Section 5.1 Contracts: The Board of Directors may authorize any officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Corporation, and such authority may be general or confined to specific instances.

Section 5.2 Loans: No loans shall be contracted on behalf of the Corporation and no evidences of indebtedness shall be issued in its name unless authorized by a resolution of the Board of Directors. Such authority may be general or confined to specific instances.

Section 5.3 Checks, Notes, etc.: All checks or other orders for the payment of money, and all notes or other evidences of indebtedness issued in the name of the Corporation, shall be signed by the Chief Executive Officer or by such officer or officers, agent or agents of the Corporation and in such manner as shall from time to time be determined by resolution of the Board of Directors. Funds not otherwise employed shall be deposited from time to time to the credit of the Corporation in such banks, trust companies or other depositories as the Board of Directors may select.

ARTICLE VI

Certificates for Shares and Their Transfer

Section 6.1 Certificates for Shares: Certificates representing shares of the Corporation shall be in such form as may be determined by the Board of Directors. Such certificates shall be signed by the Chief Executive Officer or President or Vice President and by the Secretary or Treasurer or an Assistant Secretary or Treasurer, and shall be sealed with the seal of the Corporation. All certificates for shares shall be consecutively numbered. The name of the person owning the shares represented thereby with the number of shares and date of issue shall be entered on the books of the Corporation. All certificates surrendered to the Corporation for transfer shall be cancelled and no new certificate shall be issued until the former certificate for a like number of shares shall have been surrendered and cancelled except that in case of a lost, destroyed or mutilated certificate a new one may be issued therefor upon such terms and indemnity to the Corporation as the Board of Directors may prescribe.

Section 6.2 Transfers of Shares: Transfers of shares of the Corporation shall be made only on the books of the Corporation by the registered holder thereof or by his attorney thereunto authorized by power of attorney duly executed and filed with the Secretary of the Corporation. The person in whose name shares stand on the books of the Corporation shall be deemed the owner thereof for all purposes as regards the Corporation.

ARTICLE VII

Fiscal Year

Section 7.1 Fiscal Year: The first fiscal year of the Corporation shall be determined by the filing of the first Federal income tax return of the Corporation. Thereafter, each fiscal year shall end on December 31 until changed by resolution of the Board of Directors.

ARTICLE VIII

Dividends

Section 8.1 Dividends: The Board of Directors may from time to time declare, and the Corporation may pay, dividends on its outstanding shares in the manner and upon the terms and conditions provided by law and its Articles of Incorporation.

ARTICLE IX

Seal

Section 9.1 Seal: The Board of Directors may elect to adopt a corporate seal, which, if one is adopted, shall be printed or engraved, or a facsimile thereof.

ARTICLE X

Indemnification

Section 10.1 Indemnification of Officers and Directors Against Third-Party Lawsuits: The Corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, other than an action by or in the right of the Corporation, by reason of the fact that such person (i) is or was a director or officer of the Corporation, or (ii) is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise while a director or officer of the Corporation, against expenses, including attorneys' fees, judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with such action, suit or proceeding if such person acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Corporation; and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he reasonably believed to be in or not opposed to the best interests of the Corporation, and, with respect to any criminal action or proceeding, had reasonable cause to believe that his or her conduct was unlawful.

Section 10.2 Indemnification of Officers and Directors Against Derivative Lawsuits: The Corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the Corporation to procure a judgment in its favor by reason of the fact that such person (i) is or was a director or officer of the Corporation, or (ii) is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise while a director or officer of the Corporation, against expenses, including attorneys' fees, and amounts paid in settlement actually and reasonably incurred by such person in connection with the defense or settlement of the action or suit if such person acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Corporation; except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable for negligence or misconduct in the performance of his or her duty to the Corporation unless and only to the extent that the court in which the action or suit was brought determines upon application that, despite the adjudication of liability and in view of all the circumstances of the case, the person is fairly and reasonably entitled to indemnity for such expenses which the court shall deem proper.

Section 10.3 Discretionary Indemnification of Employees: The Board of Directors of the Corporation may extend, on a case-by-case basis, the indemnification provided in paragraphs 1 and 2 of this Article to any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding by reason of the fact that he is or was an employee or agent of the Corporation other than a director or officer of the Corporation. Notwithstanding the foregoing, however, the Corporation shall be obligated to indemnify against expenses, including attorneys' fees, actually and reasonably incurred by an employee or agent as a result of an action, suit or proceeding (described in paragraphs 1 or 2 of this Article) to the extent said employee or agent has successfully defended such action, suit or proceeding on the merits or otherwise.

Section 10.4 Determination of Indemnatee's Compliance with Standard of Conduct: Any indemnification under Sections 1, 2 and 3 of this Article, unless ordered by a court, shall be made by the Corporation only as authorized in the specific case upon a determination that indemnification of the director, officer, employee or agent is proper in the circumstances because he has met the applicable standard of conduct set forth in the foregoing Sections. The determination shall be made by the Board of Directors by a majority vote of a quorum consisting of directors who were not parties to the action, suit or proceeding, or if such a quorum is not obtainable, or even if obtainable if a quorum of disinterested directors so directs, by independent legal counsel in a written opinion, or by the shareholders.

Section 10.5 Advance Payment of Expenses: Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by the Corporation in advance of the final disposition of the action, suit or proceeding as authorized by the Board of Directors in the specific case upon receipt of an undertaking by or on behalf of the director, officer, employee or agent to repay such amount unless it shall ultimately be determined that he is entitled to be indemnified by the Corporation as authorized in this Article.

Section 10.6 Survival of Indemnification: The indemnification provided by this Article shall continue as to a person who has ceased to be a director, officer, employee or agent and shall inure to the benefit of the heirs, executors and administrators of such a person. The indemnification provided hereunder shall not be deemed exclusive of any other rights to which those seeking indemnification may be otherwise legally entitled.

Section 10.7 Power to Grant Further Indemnity: The Corporation shall have the power to give any further indemnity, in addition to the indemnity authorized or contemplated under other sections of this Article, to any person who is or was a director, officer, employee or agent, or to any person who is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise; provided, however, that such further indemnity is either (i) authorized, directed or provided for in the Articles of Incorporation of the Corporation, or any duly adopted amendment thereof or (ii) is authorized, directed or provided for in any Bylaw or agreement of the Corporation which has been adopted by a vote of the shareholders of the Corporation, and provided further that no such indemnity shall indemnify any person from or on account of such person's conduct which was finally adjudged to have been knowingly fraudulent, deliberately dishonest or willful misconduct. Nothing in this section shall be deemed to limit the power of the Corporation to enact bylaws or to enter into agreements without shareholder approval of the same.

Section 10.8 Insurance on Indemnitees: In order to satisfy its obligations hereunder, the Corporation may purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the Corporation and who is indemnified against liabilities under the provisions of this Article.

Section 10.9 Definitions: For the purpose of this Article, references to "the Corporation" include all constituent corporations absorbed in a consolidation or merger as well as this Corporation, so that any person who is or was a director, officer, employee or agent of such a constituent corporation or is or was serving at the request of such constituent corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise shall stand in the same position under the provisions of this Article with respect to this Corporation as he would if he had served this Corporation in the same capacity.

For purposes of this Article, the term "other enterprise" shall include employee benefit plans; the term "fines" shall include any excise taxes assessed on a person with respect to an employee benefit plan; and the term "serving at the request of the Corporation" shall include any service as a director, officer, employee or agent of the Corporation which imposes duties on, or involves services by, such director, officer, employee or agent with respect to an employee benefit plan, its participants or beneficiaries; and a person who acted in good faith and in a manner he reasonably believed to be in the interest of the participants and beneficiaries of an employee benefit plan shall be deemed to have acted in a manner "not opposed to the best interests of the Corporation" as referred to in this Article.

Section 10.10 Limitation on Indemnification: No indemnification shall be provided under this Article X if such indemnification is prohibited by any applicable bank or bank holding company law or regulation.

ARTICLE XI

Waiver of Notice

Section 11.1 Waiver of Notice: Whenever any notice whatever is required to be given under the provisions of these Bylaws or the Articles of Incorporation or any law, a written waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

Attendance at any meeting shall constitute a waiver of notice of the meeting except where such attendance is for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

ARTICLE XII

Amendments

Section 12.1 Amendments: These Bylaws may be amended or repealed as provided in the Articles of Incorporation. No amendment which effects a change of the time or place for the election of directors shall operate to reduce the length of a director's term of office by more than 60 days.

ARTICLE XIII

Protection to Public Shareholders in Certain Defined Instances

Section 13.1 Protection to Public, Shareholders in Certain Defined Instances: For purposes of this Article, the term "Related Person" means any individual, corporation, partnership, trust, association or other organization or entity (including any group formed for the purpose of acquiring, voting or holding securities of the Corporation) which by itself or together with its affiliates and associates either directly, or indirectly through one or more intermediaries, owns, beneficially or of record, or controls by agreement, voting trust or otherwise, 20 percent or more of the voting power of the stock of the Corporation, and such term also includes any corporation, partnership, trust, association or other organization or entity in which one or more Related Persons have the power, through the ownership of voting securities, by contract, or otherwise, to influence significantly any of the management, activities or policies of such Corporation, partnership, trust, association, other organization or entity.

The purpose of this Article is to provide minimum safeguards for the Corporation's public shareholders in the event a Related Person wishes to accomplish a merger or consolidation involving the Corporation, or the sale of the Corporation's assets. The Board of Directors believes that frequently the terms of such a merger, consolidation or purchase do not reflect arms' length bargaining because one dominant influence controls both sides of the negotiations. The fact that the bulk of the remaining shareholders may be solicited by the acquiring Related Person in connection with such a business combination or sale does not assure those shareholders that the terms of such a combination (i.e., what they will receive for their shares of the Corporation) will be fair to them, or that they can effectively prevent its accomplishment. The statutory right of the remaining public shareholders of the Corporation to dissent and to have their shares "appraised" and to receive the value of their shares in cash is not always adequate because the appraisal standard to be applied under the laws of Missouri (the Corporation's state of incorporation) does not take into account the benefit of the proposed merger or consolidation to the surviving combined entity and may not recognize the adverse influence of the acquiring Related Person's substantial stock ownership on the market value of the shares in the hands of the public. Accordingly, it is hereby provided that during the period of time any Related Person is the beneficial owner of 20 percent or more of the voting shares of the Corporation, and there is submitted to the shareholders of the Corporation any plan of merger or other business combination or any proposal for the sale of all or substantially all of the assets of the Corporation, the following shall occur:

A copy of this Article shall be furnished by the Corporation to each shareholder of the Corporation at the time such plan or proposal is submitted to the shareholders, and the holders of shares in the Corporation who do not vote their shares in favor of such plan or proposal shall be entitled to receive from the Corporation cash in such amount as shall equal the "Redemption Price" for their shares. The "Redemption Price" shall be the greater of: (i) the highest price, including any commissions paid to brokers or dealers, at which any voting shares of the Corporation held by the Related Person were acquired at any time pursuant to a tender offer or in any market purchase (including privately negotiated transactions) or otherwise within 24 months prior to the date of such transmittal to shareholders of this Article; or (ii) the highest sales price in which any voting shares of the Corporation were traded on the market during the 24 months preceding the date of such transmittal of this Article. In no event, however, shall the Redemption Price be less than the shareholders' equity per share as reflected in any report prepared by the Corporation as at the end of the Corporation's last fiscal quarter preceding the date of such transmittal of this Article to shareholders. The payment of such Redemption Price shall be made in cash on or before the date such merger or other business combination or sale of assets shall be effected.

Notwithstanding the provisions herein above set forth, the Corporation shall not redeem any of its own voting shares when the capital of the Corporation is impaired or when such redemption would cause any impairment of the capital of the Corporation in violation of Missouri law.

ARTICLE XIV

Certain Repurchases of
Shares of Stock by the Corporation

Section 14.1 Certain Repurchases of Shares of Stock by the Corporation:
For purposes of this Article, (i) the term "Controlling Person" means any individual, Corporation, partnership, trust, association or other organization or entity (including any group formed for the purpose of acquiring, voting or holding securities of the Corporation) which either directly, or indirectly through one or more intermediaries, owns, beneficially or of record, or controls by agreement, voting trust or otherwise, at least 5% of the voting power of the stock of the Corporation, and such term also includes any Corporation, partnership, trust, association or other organization or entity in which one or more Controlling Persons have the power, through the ownership of voting securities, by contract, or otherwise, to influence significantly any of the management, activities or policies of such Corporation, partnership, trust, association, other organization or entity, and (ii) the term "Disinterested Shareholders" means those holders of the stock of the Corporation entitled to vote on any matter, none of which is a Controlling Person.

Except as otherwise provided in this Article, no purchase by the Corporation from any Controlling Person of any shares of stock of the Corporation owned by such Controlling Person shall be made at a price exceeding the average price paid by such Controlling Person for all shares of stock of the Corporation acquired by such Controlling Person during the 24 months preceding the date of such proposed purchase unless such purchase is approved by the affirmative vote of not less than a majority of the voting power of the shares of stock of the Corporation held by Disinterested Shareholders.

The provisions of this Article shall not apply to (i) any offer to purchase made by the Corporation which is made on the same terms and conditions to the holders of all shares of stock of the Corporation, (ii) any purchase by the Corporation of shares owned by a Controlling Person occurring after the end of 24 months following the date of the Last acquisition by such Controlling Person of stock of the Corporation, (iii) any transaction which may be deemed to be a purchase by the Corporation of shares of its stock which is made in accordance with the terms of any stock option or other employee benefit plan now or hereafter maintained by the Corporation, or (iv) any purchase by the Corporation of shares of its stock at prevailing market prices pursuant to a stock repurchase program.

As adopted this 18th day of March, 2003.

John J. Vallina

Secretary

CASS INFORMATION SYSTEMS, INC.

Director'S Indemnification Agreement

This Director's Indemnification Agreement is entered into by and between Cass Information Systems, Inc., a Missouri corporation ("Corporation") and _____ ("Indemnitee"), a member of the Board of Director of the Corporation, as of this 15th day of April, 2003.

WITNESSETH:

WHEREAS, it is essential to the success of the Corporation to retain and attract highly competent people as Directors, and such people have become more reluctant to serve as directors or in other capacities unless they are provided with adequate protection through insurance and/or adequate indemnification against inordinate risks of claims and actions against them arising out of their service to and activities on behalf of the Corporation; and

WHEREAS, the uncertainties relating to Directors' liability insurance and indemnification have increased the difficulty of attracting and retaining such highly competent Directors; and

WHEREAS, the Corporation has determined that the increased difficulty in attracting and retaining such persons is detrimental to the best interests of the Corporation's stockholders and that the Corporation should act to assure such Directors that there will be increased certainty of such protection in the future; and

WHEREAS, it is reasonable, prudent and necessary for the Corporation to contractually obligate itself to indemnify, and to advance expenses on behalf of, such Directors to the fullest extent permitted by applicable law so that they will serve or continue to serve the Corporation free from undue concern that they will not be so indemnified; and

WHEREAS, this Agreement is a supplement to and in furtherance of the Articles of Incorporation and Bylaws of the Corporation and any resolutions adopted pursuant thereto, and shall not be deemed a substitution therefor, nor to diminish or abrogate any rights of Indemnitee thereunder.

NOW, THEREFORE, in consideration of the mutual premises and covenants set forth herein and the Indemnitee's continued service as a Director of the Corporation, the Corporation and Indemnitee do hereby agree as follows:

1. Agreement to Serve. Indemnitee agrees to continue to serve as a Director of the Corporation for so long as he or she is duly elected or appointed or until such time as he or she tenders his or her resignation in writing.

2. Definitions. As used in this Agreement:

(a) The term "Proceeding" shall include any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that Indemnitee (i) is or was a Director of the Corporation (or any predecessor or subsidiary of the Corporation), or (ii) is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise.

(b) The term "Expenses" shall mean expenses (including attorneys' fees and amounts paid in settlement by Indemnitee) which are actually and reasonably incurred by Indemnitee in connection with a Proceeding against Indemnitee; provided, however, the term "Expenses" shall not include amounts of judgments, fines, or penalties assessed against Indemnitee or incurred in relation thereto.

(c) The term "other enterprise" shall include employee benefit plans; the term "fines" shall include any excise taxes assessed on a person with respect to an employee benefit plan; and the term "serving at the request of the Corporation" shall include any service as a director or officer of the Corporation which imposes duties on, or involves services by, such director or officer with respect to an employee benefit plan, its participants or beneficiaries; and a person who acted in good faith and in a manner he reasonably believed to be in the interest of the participants and beneficiaries of an employee benefit plan shall be deemed to have acted in a manner "not opposed to the best interests of the Corporation" as referred to in this Agreement.

3. Indemnity in Third-Party Proceedings. The Corporation shall indemnify Indemnitee in accordance with the provisions of this Paragraph 3, against all Expenses, judgments, fines, and penalties actually and reasonably incurred by Indemnitee in connection with the defense or settlement of any Proceeding against Indemnitee, other than a Proceeding by or in the right of the Corporation to procure a judgment in its favor against Indemnitee, but only if Indemnitee acted in good faith and in a manner which he or she reasonably

believed to be in or not opposed to the best interests of the Corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe that his or her conduct was unlawful. The termination of any such Proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, in and of itself, create a presumption that Indemnatee did not act in good faith in a manner which he or she reasonably believed to be in or not opposed to the best interests of the Corporation; and, with respect to any criminal proceeding, that Indemnatee had reasonable cause to believe that his or her conduct was unlawful.

4. Indemnity in Proceedings By or In the Right of the Corporation. The Corporation shall indemnify Indemnatee in accordance with the provisions of this Paragraph 4, against all Expenses actually and reasonably incurred by Indemnatee in connection with the defense or settlement of any Proceeding by or in the right of the Corporation to procure a judgment in its favor against Indemnatee by reason of the fact that Indemnatee (i) is or was a Director of the Corporation, or (ii) is or was serving at the request of the Corporation as a Director or officer of another corporation, partnership, joint venture, trust or other enterprise while a Director of the Corporation, but only if Indemnatee acted in good faith and in a manner which he or she reasonably believed to be in or not opposed to the best interests of the Corporation, except that no indemnification for Expenses shall be made under this Paragraph in respect of any claim, issue, or matter as to which Indemnatee shall have been adjudged to be liable to the Corporation for negligence or misconduct in the performance of his or her duty to the Corporation, unless and only to the extent that the court in which such Proceeding was brought shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, Indemnatee is fairly and reasonably entitled to indemnity for such Expenses which such court shall deem proper.

5. Indemnification of Expenses of Successful Party. Notwithstanding any other provision of this Agreement, to the extent that Indemnatee has been successful on the merits or otherwise, in defense of any Proceeding against Indemnatee, or in defense of any claim, issue, or matter therein, Indemnatee shall be indemnified against all Expenses actually and reasonably incurred by Indemnatee in connection therewith.

6. Advances of Expenses. At the written request of Indemnatee, the Expenses incurred by Indemnatee in any Proceeding against Indemnatee shall be paid by the Corporation in advance of the final disposition of such Proceeding; provided, however, that Indemnatee hereby agrees to promptly repay such amount to the Corporation to the extent that it is ultimately determined that Indemnatee is not entitled to indemnification. If the Corporation makes an advance of expenses pursuant to this Paragraph 6, the Corporation shall be subrogated to every right of recovery Indemnatee may have against any insurance carrier from whom the Corporation has purchased insurance for such purpose.

7. Right of Indemnatee to Indemnification Upon Application; Procedure Upon Application.

(a) Any indemnification under Paragraphs 3 and 4 or advance under Paragraph 6, unless ordered by a court, shall be paid no later than 45 days after receipt of the written request of Indemnatee, unless a determination is made within said 45-day period by (i) the Board of Directors, (ii) independent legal counsel in a written opinion, or (iii) the shareholders of the Corporation that indemnification of the Director is not proper in the circumstances because he has not met the applicable standard of conduct set forth in the foregoing Paragraphs. Any such determination shall be made by the Board of Directors by a majority vote of a quorum of the Directors who were not parties to the Proceeding, or if such a quorum is not obtainable, a quorum of disinterested Directors; or by written opinion of independent legal counsel, selected by the majority vote of a quorum of the Directors who were not parties to the Proceeding, or if such a quorum is not obtainable, a quorum of disinterested Directors; or by the shareholders.

(b) The right to indemnification or advancement of Expenses as provided by this Agreement shall be enforceable by Indemnatee in any court of competent jurisdiction. The burden of proving that indemnification or advances are not appropriate shall be on the Corporation. Neither the failure of the Corporation, including its Board of Directors or independent legal counsel or shareholders, to have made a determination prior to the commencement of such action that Indemnatee has met the applicable standard of conduct nor an actual determination by the Corporation, including its Board of Directors or independent legal counsel or shareholders, that Indemnatee has not met such standard shall be a defense to the action or create a presumption that Indemnatee has not met the applicable standard of conduct. Indemnatee's Expenses actually and reasonably incurred in connection with successfully establishing his or her right to indemnification or advances, in whole or in part, shall also be indemnified by the Corporation.

(c) With respect to any Proceeding for which indemnification is requested, the Corporation will be entitled to participate therein at its own expense and, except as otherwise provided below, the Corporation may assume the defense thereof, with counsel satisfactory to Indemnitee. After notice from the Corporation to Indemnitee of its election to assume the defense of a Proceeding, the Corporation will not be liable to Indemnitee under this Agreement for any Expenses subsequently incurred by Indemnitee in connection with the defense thereof, other than as provided below. The Corporation shall not settle any Proceeding in any manner that would impose any penalty or limitation on Indemnitee without Indemnitee's written consent. Indemnitee shall have the right to employ counsel in any Proceeding but the fees and expenses of such counsel incurred after notice from the Corporation of its assumption of the defense of the Proceeding shall be at the expense of Indemnitee, unless (i) the employment of counsel by Indemnitee has been authorized by the Corporation; (ii) Indemnitee shall have reasonably concluded that there may be a conflict of interest between the Corporation and Indemnitee in the conduct of the defense of a Proceeding; or (iii) the Corporation shall not in fact have employed counsel to assume the defense of a Proceeding, in each of which cases the fees and expenses of Indemnitee's counsel shall be advanced by the Corporation. Notwithstanding the foregoing, the Corporation shall not be entitled to assume the defense of any Proceeding brought by or in the right of the Corporation.

8. Limitation on Indemnification. No payment pursuant to this Agreement shall be made by the Corporation:

(a) if such payments are prohibited by any applicable bank or bank holding company law or regulation;

(b) to indemnify or advance funds to Indemnitee for Expenses with respect to Proceedings initiated or brought voluntarily by Indemnitee and not by way of defense, except with respect to Proceedings brought to establish or enforce a right to indemnification under this Agreement; provided, however, such indemnification or advancement of Expenses may be provided by the Corporation in specific cases if the Board of Directors by a majority vote of a quorum of the Directors who were not parties to the Proceeding, or if such quorum is not obtainable, a quorum of disinterested Directors, finds it to be appropriate;

(c) to indemnify Indemnitee for any Expenses, judgments, fines, or penalties sustained in any Proceeding for which payment is actually made to Indemnitee under a valid and collectible insurance policy, except in respect of any excess beyond the amount of payment under such insurance;

(d) to indemnify Indemnitee for any Expenses, judgments, fines or penalties resulting from Indemnitee's conduct which is finally adjudged to have been fraudulent, deliberately dishonest or willful misconduct; or

(e) if a court of competent jurisdiction finally determines that such payment hereunder is unlawful.

9. Indemnification Hereunder Not Exclusive. The indemnification provided by this Agreement shall not be deemed exclusive of any other rights to which Indemnitee may be entitled under the Articles of Agreement or the Bylaws of the Corporation, any agreement, any vote of shareholders or disinterested Directors, the laws of the State of Missouri, or otherwise, both as to action in his or her official capacity and as to action in another capacity while holding such office. The indemnification provided by this Agreement shall continue as to Indemnitee even though he or she may have ceased to be a Director and shall inure to the benefit of the heirs, executors and administrators of Indemnitee.

10. Partial Indemnification. If Indemnitee is entitled under any provision of this Agreement to indemnification by the Corporation for a portion of the Expenses, judgments, fines, or penalties actually and reasonably incurred by him or her in any Proceeding but not, however, for the total amount thereof, the Corporation shall nevertheless indemnify Indemnitee for the portion of such Expenses, judgments, fines, or penalties to which Indemnitee is entitled.

11. Maintenance of Liability Insurance.

(a) The Corporation hereby covenants and agrees that, as long as Indemnitee continues to serve as a Director of the Corporation, and thereafter as long as Indemnitee may be subject to any Proceeding, the Corporation, subject to subsection (c) below, shall maintain in full force and effect Directors' and Officers' liability insurance ("D&O Insurance") in reasonable amounts from established and reputable insurers.

(b) In all D&O Insurance policies, Indemnitee shall be named as an insured in such a manner as to provide the Indemnitee the same rights and benefits as are accorded to the most favorably insured of the Corporation's Directors and Officers.

(c) Notwithstanding the foregoing, the Corporation shall have no obligation to obtain or maintain D&O Insurance if the Corporation determines in good faith that such insurance is not reasonably available, the premium costs for such insurance are disproportionate to the amount of coverage provided, the coverage provided by such insurance is so limited by exclusions that it provides an insufficient benefit, or Indemnitee is covered by similar insurance maintained by a subsidiary of the Corporation.

12. Savings Clause. If this Agreement or any portion hereof is invalidated on any ground by any court of competent jurisdiction, the Corporation shall nevertheless indemnify Indemnitee to the extent permitted by any applicable portion of this Agreement that has not been invalidated or by any other applicable law.

13. Notice. Indemnitee shall, as a condition precedent to his or her right to be indemnified under this Agreement, give to the Corporation notice in writing as soon as practicable of any Proceeding for which indemnity will or could be sought under this Agreement. Notice to the Corporation shall be directed to:

Cass Information Systems, Inc.
Attn: Chairman of the Board
13001 Hollenberg Drive
Bridgeton, Missouri 63044

(or such other address as the Corporation shall designate in writing to Indemnitee). Notice shall be deemed received three days after the date postmarked if sent by prepaid mail, properly addressed. In addition, Indemnitee shall give the Corporation such information and cooperation as it may reasonably require and as shall be within Indemnitee's power.

14. Counterparts. This Agreement may be executed in any number of counterparts, all of which shall be deemed to constitute one and the same instrument.

15. Applicable Law. This Agreement shall be governed by, and construed and interpreted in accordance with, the law of the State of Missouri without regard to its laws governing conflicts of laws.

16. Successors and Assigns. This Agreement shall be binding upon the Corporation and its successors and assigns, and shall inure to the benefit of Indemnitee and his or her heirs, executors or administrators.

17. Amendments. No amendment, waiver, modification, termination, or cancellation of this Agreement shall be effective unless in writing signed by both parties hereto. The indemnification rights afforded to Indemnitee hereby are contract rights and may not be diminished, eliminated, or otherwise affected by amendments to the Articles of Incorporation or By-Laws of the Corporation or by other agreements.

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement as of the date first written above.

Cass Information Systems, Inc.

"Corporation"

"Indemnitee"

By: _____
Name: _____
Title: _____

Signature

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

In connection with the Quarterly Report of Cass Information Systems, Inc. ("the Company") on Form 10-Q for the period ended March 31, 2003 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Lawrence A. Collett, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. ss. 1350, as adopted pursuant to ss. 906 of the Sarbanes-Oxley Act of 2002, that:

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

/s/ Lawrence A. Collett

Lawrence A. Collett
Chairman and Chief Executive Officer
May 14, 2003

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

In connection with the Quarterly Report of Cass Information Systems, Inc. ("the Company") on Form 10-Q for the period ended March 31, 2003 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Eric H. Brunngraber, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. ss. 1350, as adopted pursuant to ss. 906 of the Sarbanes-Oxley Act of 2002, that:

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

/s/ Eric H. Brunngraber

Eric H. Brunngraber

Vice President - Secretary

(Chief Financial and Accounting Officer)

May 14, 2003