



Office of the  
Comptroller of the Currency  
Washington, DC 20219

# INTERMEDIATE SMALL BANK

## PUBLIC DISCLOSURE

March 8, 2021

## COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

First National Bank of Pulaski  
Charter Number 14619

206 South First Street, Pulaski, TN 38478

Office of the Comptroller of the Currency

320 Seven Springs Way, Suite 310, Brentwood, TN 37027

**NOTE:** This document is an evaluation of this institution's record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods, consistent with safe and sound operation of the institution. This evaluation is not, and should not be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion, or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.

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## Overall CRA Rating

**Institution's CRA Rating:** This institution is rated **Satisfactory**.

**The Lending Test is rated: Outstanding.**

**The Community Development Test is rated: Satisfactory.**

First National Bank of Pulaski (FNB or bank) has a satisfactory record of meeting community credit needs. This is based on the following factors:

- The bank's loan-to-deposit (LTD) ratio is reasonable.
- A substantial majority of FNB's loans are inside the bank's assessment areas (AAs).
- FNB exhibits an excellent distribution of loans to individuals of different income levels and businesses of different sizes in both AAs.
- FNB exhibits excellent geographic distribution of home mortgage loans and small loans to businesses.
- FNB's community development (CD) performance demonstrates satisfactory responsiveness to the CD needs in each AA. The bank's overall responsiveness through CD activities to CD lending, investment, and services needs is also satisfactory.
- There were no complaints regarding FNB's Community Reinvestment Act (CRA) activities during the evaluation period.

### Loan-to-Deposit Ratio

Considering the bank's size, financial condition, and credit needs of the AAs, the bank's LTD ratio is reasonable. The LTD ratio is calculated on a bank-wide basis. FNB's quarterly average net LTD ratio from March 2018 to December 2020 was 70.1 percent, which is an improvement over the previous evaluation period LTD ratio of 62.7 percent. During the evaluation period, the net LTD ratio ranged from a low of 65.7 percent to a high of 73.5 percent. FNB's average LTD ratio is reasonable when compared to similarly situated banks in or near the AAs with consideration given to lending opportunities available as well as demographic and economic factors present in the bank's two AAs. The average LTD ratio of similarly situated banks over the evaluation period was 81.9 percent. Similarly situated banks include those with total assets between \$133 million and \$1.6 billion located in or adjacent to counties in the bank's AAs. FNB is responsive to the credit needs of the community, and the level of loans has been increasing during the evaluation period. FNB's loan growth has been strong, especially with the generation of PPP loans in 2020, but the deposit growth has been equally strong primarily derived from depositor funds originated from federal government stimulus funds. While FNB has aggressively marketed for loan growth, competitor banks have also been aggressive in originating loans at competitive rates. The following table depicts quarterly average LTD ratios for the bank and similarly situated banks:

<b>Loan-to-Deposit (LTD) Ratios</b>		
<b>Institution</b>	<b>Total Assets (\$000s)</b>	<b>Average LTD Ratio (%)</b>
<b>First National Bank of Pulaski (FNB)</b>	<b>\$1,036,575</b>	<b>70.1</b>
Bank of Frankewing	363,588	85.3
Bank of Lincoln County	181,867	83.9
First Commerce Bank	474,240	79.1
Progress Bank and Trust	1,579,238	95.0
North Alabama Bank	132,975	80.0
First Metro Bank	822,233	68.4

*Source: Institutions' Reports of Condition for 12-quarter period from March 2018 to Dec. 2020.*

As of June 30, 2020, 13 financial institutions with 31 offices controlled \$2.1 billion in deposits within the Tennessee (TN) Non-Metropolitan Statistical Area (MSA) AA represented by Giles, Lincoln, and Marshall Counties. Of the local competitor banks, FNB controlled the largest market share within the TN Non-MSA AA at \$620 million or 29 percent of total deposits. Independent competitor banks with a notable market share of deposits include First Commerce Bank, Bank of Frankenwing, and the Bank of Lincoln County with 20.6 percent, 11.7 percent, and 6.9 percent of total deposits, respectively. Branches of large holding company institutions in the area are Regions Bank, Truist Bank, First Horizon Bank, and US Bank, N.A. with a lower percentage of total deposits ranging from 2.2 percent to 4 percent.

As of June 30, 2020, 31 financial institutions with 119 offices controlled \$10.5 billion in deposits within the Huntsville MSA AA represented by Limestone and Madison Counties. Of the local competitor banks, FNB controlled the 12th largest market share within the Huntsville MSA AA at \$236 million or 2.3 percent of total deposits. Independent competitor banks controlled the following percentage of total deposits within the Huntsville MSA AA: Progress Bank and Trust, North Alabama Bank, and First Metro Bank with 6.1 percent, 1.1 percent, and 0.3 percent of total deposits, respectively. Branches of the following large holding company institutions controlled the market share of deposits in the Huntsville MSA AA: Regions Bank, BBVA Compass Bank, Synovus Bank, and Wells Fargo Bank N.A., with 23.1 percent, 11.8 percent, 8.7 percent, and 6.1 percent of total deposits, respectively.

### **Lending in Assessment Area**

A substantial majority of the bank's loans are inside its AAs.

The bank originated and purchased 85.9 percent of total loans based on number of loans and 80.2 percent of loans based on dollar volume inside the bank's AAs during the evaluation period. This analysis is performed at the bank, rather than the AA, level. This percentage does not include extension of credit by affiliates that may be considered under the other performance criteria. The bank's lending inside its AAs had a positive impact on the bank's overall geographic distribution performance.

<b>Lending Inside and Outside of the Assessment Area</b>										
Loan Category	Number of Loans				Total #	Dollar Amount of Loans \$(000s)				Total \$(000s)
	Inside		Outside			Inside		Outside		
	#	%	#	%		\$	%	\$	%	
Home Mortgage	1,127	85.6	190	14.4	1,317	198,293	80.2	48,936	19.8	247,229
Small Business	1,290	86.1	208	13.9	1,498	117,654	80.3	28,832	19.7	146,486
<b>Total</b>	<b>2,417</b>	<b>85.9</b>	<b>398</b>	<b>14.1</b>	<b>2,815</b>	<b>315,947</b>	<b>80.2</b>	<b>77,768</b>	<b>19.8</b>	<b>393,715</b>

*Source: HMDA and Small Business Loan Activity for years 2018-2020*

## Description of Institution

FNB is an independent, interstate bank which opened for business in 1949. Effective October 31, 1981, the bank became wholly owned by First Pulaski National Corporation, a one-bank holding company. Both the holding company and bank are located in Pulaski, Tennessee. Pulaski is approximately 80 miles south of Nashville, Tennessee and 45 miles northwest of Huntsville, Alabama. There have not been any major changes in the bank's corporate structure, including merger or acquisition activities, since the last CRA examination dated March 1, 2018, when the bank received a satisfactory rating. There are no legal or financial impediments to FNB's ability to meet the credit needs of its AAs. The bank offers a full range of loan and deposit services. FNB's primary business focus is commercial and industrial loans, including commercial real estate loans, and residential mortgage loans. At December 31, 2020, the bank had total assets and gross loans of \$1 billion and \$630.6 million, respectively. Gross loans comprised 60.8 percent of total assets. The following table reflects the composition of FNB's loan portfolio as of December 31, 2020.

Loan Category	Gross Loans as of December 31, 2020	
	Dollar (\$) (in 000's)	Percent (%) of Gross Loans
Residential Mortgage Loans	209,838	33.3
Commercial Real Estate Loans	178,015	28.2
Construction & Land Development Loans	88,212	14.0
Farmland and Agriculture Loans	52,569	8.3
Commercial Non-Real Estate Loans	50,939	8.1
Obligations of State and Local Government & All Other Loans	28,117	4.5
Consumer Loans	22,876	3.6
<b>Gross Loans</b>	<b>630,566</b>	<b>100.00</b>

*Source: December 31, 2020 Report of Condition*

FNB branches are generally located in areas that make them accessible to bank customers. Eleven offices are located in the bank's AAs, including the bank's main office, with eight offices located in the state of Tennessee and three offices located in the state of Alabama. No new offices were closed, opened, or acquired during the evaluation period. Lobby hours and drive-up hours are set to meet customer needs. Automated teller machines (ATMs) that disburse cash and take deposits are located at each branch office. Additionally, there are five free-standing ATMs that disburse cash only. The bank also operates a mortgage loan office in Pulaski/Giles County which is part of the bank's main office.

Customers may also access their accounts through telephone banking or by the internet. Internet and telephone banking include transfers between FNB accounts, review of bank balances and transactions, access to loan account information and bill-paying capability for the internet banking product. The bank also offers MasterCard debit cards that can be used to access customer accounts at point of sale (POS) or ATM locations. Additionally, Visa and MasterCard credit cards are offered by the bank through a third-party. Investment, brokerage, and insurance services are also available through third-party providers. FNB's business strategy includes continued marketing of commercial credit to small businesses and individuals through its products, staff, and locations. The bank actively generates commercial, mortgage, and consumer loans to customers located primarily in Giles, Lincoln, and Marshall County, Tennessee and Limestone and Madison County, Alabama. Commercial loan activity includes all types of commercial real estate development and construction. Small Business Administration (SBA) loans are offered for new business startups as well as to expand existing businesses. FNB also supports the financing of residential home loans through conventional secondary market home mortgages, Veteran Administration (VA) guaranteed loans, Rural Development loans, and Federal Housing Administration (FHA) guaranteed loans.

FNB Pulaski has two AAs. Both AAs are reasonable and meet regulatory requirements based on their composition of whole counties with whole census tracts (CTs) within those counties. The bank has not arbitrarily excluded any low- or moderate-income (LMI) geographies. The first AA is a non-Metropolitan Statistical Area (non-MSA) AA within Southern Tennessee, which includes the entire counties of Giles, Lincoln, and Marshall County. The second AA is the Huntsville, Huntsville MSA AA, which includes the entire counties of Madison and Limestone County. All five counties within the bank's AAs have adequate financial and non-financial institutions serving the loan and deposit needs.

## **Scope of the Evaluation**

### **Evaluation Period/Products Evaluated**

The evaluation period is October 1, 2017, through December 31, 2020. This Performance Evaluation (PE) assesses the bank's performance under the Lending Test and the CD Test. In evaluating the Bank's lending performance, we reviewed one- to four- family home mortgage loans subject to filing under the Home Mortgage Disclosure Act (HMDA) and loans to small businesses as reported under the CRA. Home mortgage loans and business loans are the bank's primary loan products. Consumer lending and farm lending did not constitute a substantial lending activity during the review period; therefore, these loan products were not considered in the lending performance evaluation. We conducted a data integrity review prior to this PE and concluded that the bank's internal data was reliable.

For Geographic and Borrower Distribution analyses, FNB's loan originations are compared to the 2015 American Community Survey (ACS) Census data and aggregate HMDA data and CRA data.

## **Selection of Areas for Full-Scope Review**

In each state where the bank has an office, one or more AAs within that state was selected for a full- scope review. For purposes of this evaluation, Bank delineated AAs located within the same MSA, multistate metropolitan statistical area (MMSA), or combined statistical area are combined and evaluated as a single AA. Similarly, bank delineated non-MSA AAs within the same state are combined and evaluated as a single area. These combined AAs may be evaluated as full- or limited-scope. Refer to the “Scope” section under each State Rating section for details regarding how full-scope AAs were selected. Refer to Appendix A, Scope of Examination, for a list of full- and limited-scope AAs.

FNB has two AAs which are located in separate states and possessing bank offices. Full-scope reviews were performed for the bank’s two AAs. The AA in Tennessee (TN Non-MSA AA ) consists of the counties of Giles, Lincoln, and Marshall. The AA in Alabama (Huntsville MSA AA) is the city of Huntsville and consists of the counties of Limestone and Madison.

## **Ratings**

The bank’s overall rating is a blend of the state ratings, and where applicable, multistate ratings

We evaluated both AAs and placed equal weight for the Lending Test and the Community Development Test on the TN Non-MSA AA and the Huntsville MSA AA. At December 31, 2020, Tennessee had deposits of \$647 million and loans totaling \$378 million, which were generated by eight branches primarily in rural county locations that had been in existence longer than the bank’s Alabama branches. At December 31, 2020, Alabama had deposits of \$272 million and loans totaling \$252 million, which were generated by three branches primarily in metropolitan locations.

The state ratings are based on performance in all bank AAs. Refer to the “Scope” section under each state section for details regarding how the areas were weighted in arriving at the respective ratings.

## **Discriminatory or Other Illegal Credit Practices Review**

Pursuant to 12 CFR 25.28(c) or 195.28(c), “Community Reinvestment Act and Interstate Deposit Production Regulations” or “Community Reinvestment Act,” respectively, in determining a national bank’s or federal savings association’s (collectively, bank) CRA rating, the OCC considers evidence of discriminatory or other illegal credit practices in any geography by the bank, or in any AA by an affiliate whose loans have been considered as part of the bank’s lending performance. As part of this evaluation process, the OCC consults with other federal agencies with responsibility for compliance with the relevant laws and regulations, including the U.S. Department of Justice, the U.S. Department of Housing and Urban Development, and the Bureau of Consumer Financial Protection, as applicable.

The OCC has not identified that this institution has engaged in discriminatory or other illegal credit practices that would be inconsistent with helping to meet community credit needs and require consideration in this evaluation.

The OCC will consider any information that this institution engaged in discriminatory or other illegal credit practices, identified by or provided to the OCC before the end of the institution's next performance evaluation in that subsequent evaluation, even if the information concerns activities that occurred during the evaluation period addressed in this performance evaluation.

## **State Rating**

### **State of Tennessee**

**CRA rating for State of Tennessee: Satisfactory.**

**The Lending Test is rated: Outstanding.**

**The Community Development Test is rated: Satisfactory.**

The major factors that support this rating include:

- The bank exhibits excellent geographic distribution of loans in the state.
- The bank exhibits an excellent distribution of loans in the TN Non-MSA AA to individuals of different income levels and businesses of different sizes.
- The bank exhibits adequate responsiveness to CD needs in the state through community CD loans, qualified investments, and CD services, as appropriate, considering the bank's capacity and the need and availability of such opportunities for CD in the bank's AA.

## **DESCRIPTION OF INSTITUTION'S OPERATIONS IN TENNESSEE**

FNB operates eight offices, including the bank's main office, in the State of Tennessee. Within Tennessee, five offices are located in Giles County including three in the city of Pulaski and one each in the city of Ardmore and the city of Lynnville, two offices are located in adjacent Lincoln County, including one each in the city of Fayetteville and in the city of City Park, and one office is located in adjacent Marshall County within the city of Lewisburg.

The Tennessee AA, TN Non-MSA AA, consists of 23 CTs located in Giles, Lincoln, and Marshall County, Tennessee. These counties are considered rural and non-metropolitan. Most of the topography for the area is contoured with rock and high winding ridges in the north and stretches deep into the fertile valleys of Richland Creek and in the south.

The 23 CTs consist of one moderate-income CT, 17 middle-income CTs, and five upper-income CTs, with no tracts categorized as low-income. The county seats in Tennessee are Pulaski (Giles County); Fayetteville (Lincoln County); and Lewisburg (Marshall County), respectively. Giles County has a population approximating 30,000, with the other two counties in the AA having populations approximating 35,000.

The primary employers for this AA include County Boards of Education, Frito Lay, Magneti Marelli (Auto Parts Manufacturing), Goodman Company (Heating/Air Manufacturing), Calsonic



Kansei (Auto Parts Manufacturing), and Walker Die Casting (Aluminum Die Manufacturing for Vehicles). Collectively, these employers employ over 8,500 employees. The unemployment rate in December 2020 for Giles, Lincoln, and Marshall County was 6.2 percent, 6.6 percent, and 5.8 percent, respectively. FNB had a 29 percent market share for this AA’s deposits as of June 30, 2020.

Distribution of Bank Offices and ATMs by Census Tract						
Census Tract	Tracts		Full-Service Branches		Automated Teller Machines (ATMs)	
	#	%	#	%	#	%
Income Level						
Low	0	0	0	0	0	0
Moderate	1	4.4	0	0	0	0
Middle	17	73.9	6	75.0	9	75.0
Upper	5	21.7	2	25.0	3	25.0
TOTAL	23	100.0	8	100.0	12	100.0

Table A – Demographic Information of the Assessment Area						
Assessment Area: Tennessee Non-MSA 2020						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	23	0.0	4.3	73.9	21.7	0.0
Population by Geography	93,658	0.0	4.9	69.4	25.7	0.0
Housing Units by Geography	42,392	0.0	4.3	71.0	24.7	0.0
Owner-Occupied Units by Geography	26,874	0.0	2.2	69.8	28.0	0.0
Occupied Rental Units by Geography	10,035	0.0	11.0	73.1	16.0	0.0
Vacant Units by Geography	5,483	0.0	2.6	73.3	24.1	0.0
Businesses by Geography	5,038	0.0	4.2	73.9	21.9	0.0
Farms by Geography	437	0.0	0.5	69.8	29.7	0.0
Family Distribution by Income Level	25,434	17.4	17.2	21.1	44.3	0.0
Household Distribution by Income Level	36,909	19.6	15.4	18.9	46.2	0.0
Median Family Income Non-MSAs - TN		\$46,066	Median Housing Value			\$110,730
			Median Gross Rent			\$616
			Families Below Poverty Level			12.5%
<i>Source: 2015 ACS and 2020 D&amp;B Data</i> <i>Due to rounding, totals may not equal 100.0%</i> <i>(*) The NA category consists of geographies that have not been assigned an income classification.</i>						

Two community contacts were conducted during this examination, one within the Tennessee AA and one within the Alabama AA. Both contacts indicated that financial institutions were doing a satisfactory job of meeting the financial needs of the community. Both contacts noted that

additional affordable housing was needed for their respective areas. The Tennessee community contact stated that banks could assist with the need for additional workforce development, training and recruitment through bank personnel participation in planning and recruiting through various organizations such as the Chamber of Commerce as well as banks providing additional donations and space for efforts to recruit business workers.

## **SCOPE OF EVALUATION IN TENNESSEE**

We performed a full-scope review of the TN Non-MSA AA based on this AA being the only bank AA in the state of Tennessee as well as bank activity in this location. Both the Lending Test and CD Test ratings were analyzed to arrive at the overall state rating. Conclusions regarding the bank's lending performance in the TN Non-MSA AA are based on Home Mortgage Disclosure Act (HMDA) reportable loans and business loans during the evaluation period for years 2018-2020. The CD Test includes a review of loans, investments, grants, and donations made in the bank's AA that meet the definition of CD as well as CD services provided in the bank's AA.

## **CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN TENNESSEE**

### **LENDING TEST**

The bank's performance under the Lending Test in Tennessee is rated outstanding.

### **Conclusions for TN Non-MSA AA Receiving a Full-Scope Review**

#### **Distribution of Loans by Income Level of the Geography**

The bank exhibits excellent geographic distribution of loans in the state.

#### ***Home Mortgage Loans***

The geographic distribution of home mortgage loans in the TN Non-MSA AA is excellent. Refer to Table O in the state of Tennessee section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations and purchases.

During the evaluation period of 2018-2020, the bank's mortgage lending in the AA's sole moderate-income CT was near to the percent of owner-occupied housing units and near to aggregate lending in the moderate-income CT.

### ***Small Loans to Businesses***

The geographic distribution of loans to businesses of different sizes within the TN Non-MSA AA is excellent. Refer to Table Q in the “TN Non-MSA” section of appendix D for the facts and data used to evaluate the geographic distribution of the bank’s originations and purchases of small loans to businesses.

During the evaluation period of 2018-2020, the bank’s business lending in the AA’s sole moderate-income CT was somewhat lower than both the percent of businesses and aggregate lending to small businesses in the moderate-income CT.

Our analysis did not identify any unexplained conspicuous lending gaps. The bank’s ability to originate home mortgage loans and small loans to businesses loans within the sole moderate-income CT is limited to the CTs small size of 2.3 square miles and the fact that a substantial portion of this CT is populated by municipal structures, terrain unsuitable for structures, schools, railroad tracts within the middle of the CT, and recreational park space

### **Distribution of Loans by Income Level of the Borrower**

The bank exhibits an excellent distribution of loans in the TN Non-MSA AA to individuals of different income levels and businesses of different sizes, given the product lines offered by the bank.

### ***Home Mortgage Loans***

The distribution of loans to LMI individuals in the TN Non-MSA AA is excellent. Refer to Table P in the “TN Non-MSA” section of appendix D for the facts and data used to evaluate the borrower distribution of the bank’s home mortgage loan originations and purchases

During the evaluation period of 2018-2020, the bank’s home mortgage lending to low-income families was lower than percent of families identified as low-income and exceeded aggregate lending to low-income borrowers. During the same time period, the bank’s home mortgage lending to moderate-income families was near to the percent of families identified as moderate-income and exceeded aggregate lending to moderate-income borrowers. Residential lending activity to LMI borrowers is negatively impacted by the limited owner-occupied housing available in the AA, with no low-income CTs and only one moderate-income CT in the TN Non-MSA AA. The bank also has limitations in its ability to originate home mortgage loans within the AA’s sole moderate-income CT’s size of 2.3 square miles and the fact that a substantial portion of this CT is populated by municipal structures, terrain unsuitable for structures, schools, railroad tracts within the middle of the CT, and recreational park space. The bank’s ability to originate home mortgage loans in the sole moderate-income CT is also limited by the significant level (30.6 percent) of households below the poverty level who would have a minimal probability to qualify for residential housing loans. Additionally, the bank directs LMI borrowers into government home loan programs such as United State Department of Agriculture (USDA)/Rural Development, VA, and FHA. During the evaluation period, the bank granted 32 USDA loans totaling \$4.5 million to borrowers within the TN Non-MSA AA. The bank also assists LMI borrowers through the bank’s secondary market lending program.

***Small Loans to Businesses***

The distribution of loans to small businesses in the TN Non-MSA AA is excellent. Refer to Table R in the “TN Non-MSA” section of appendix D for the facts and data used to evaluate the borrower distribution of the bank’s originations and purchases of small loans to businesses.

During the evaluation period of 2018-2020, the bank’s lending to businesses with revenues less than or equal to \$1 million exceeded both the percent of businesses identified as having revenues less than or equal to \$1 million and aggregate lending to these businesses.

**Responses to Complaints**

FNB did not have any consumer complaints relating to the bank’s CRA performance in the TN Non-MSA AA during this evaluation period.

**COMMUNITY DEVELOPMENT TEST**

The bank’s performance under the CD Test in the state Tennessee is rated satisfactory.

**Conclusions for TN Non-MSA AA Receiving Full-Scope Review**

Based on a full-scope review, the bank exhibits adequate responsiveness to CD needs in the state through CD loans, qualified investments, and CD services, as appropriate, considering the bank’s capacity and the need and availability of such opportunities for CD in the bank’s AA.

**Number and Amount of Community Development Loans**

The Community Development Loan Table, shown below, sets forth the information and data used to evaluate the bank’s level of CD lending. The table includes all CD loans, including multifamily loans that also qualify as CD loans.

<i>Community Development Loans</i>				
Assessment Area	Total			
	#	% of Total #	\$(000’s)	% of Total \$
TN Non-MSA AA	4	100%	\$1,963	100%

Specific examples of the aforementioned CD loans were primarily for community services and affordable housing. Within the AA, the bank granted a \$70,000 loan to purchase a building to provide community services to LMI individuals, a \$500,000 loan to fund a Low-Income Home Energy Assistance Program, a \$250,000 loan for a apartment complex that rents to low-income individuals, and a \$1.1 million loan to purchase an apartment complex which rents to low-income individuals.

In a county adjoining the AA, the bank granted a \$8 million loan to construct a multifamily housing complex for low-income individuals.

**Number and Amount of Qualified Investments**

The Qualified Investment Table, shown below, sets forth the information and data used to evaluate the bank’s level of qualified CD investments. These tables include all CD investment, including prior period investments that remain outstanding as of the examination date.

<i>Qualified Investments</i>										
Assessment Area	Prior Period*		Current Period		Total				Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	% of Total #	\$(000's)	% of Total \$	#	\$(000's)
TN Non-MSA	0	\$0	15	\$1,020	15	100%	\$1,020	100%	0	\$0

\* Prior Period Investments means investments made in a previous evaluation period that are outstanding as of the examination date.

\*\* Unfunded Commitments means legally binding investment commitments that are tracked and recorded by the institution’s financial reporting system.

Specific examples of the aforementioned community development investments, which included loans, were as follows. During the evaluation period, the bank made capital investments to two separate Small Business Investment Corporations (SBICs) totaling \$1 million. The SBICs, licensed with the Small Business Administration, provide financing to small businesses within the state of Tennessee including small businesses in the bank’s TN Non-MSA AA. The bank also made CD donations totaling \$400 during the evaluation period.

During the evaluation period, the bank made non-CD donations totaling \$125 thousand to various community organizations or school organizations related to students of schools within the AA that had a majority of their student population who qualified for federal free or reduced meal programs.

**Extent to Which the Bank Provides Community Development Services**

FNB’s record of providing CD services is excellent. During the evaluation period, bank personnel contributed 728 hours related to CD concerning community services, economic development, and affordable housing. Board members actively support recruiting, expansion, and promoting new and existing industries in FNB’s TN Non-MSA AA , which was cited as a need by the TN Non-MSA community contact. A number of the bank’s officers, some directors, and other personnel are members of civic clubs and community boards serving the bank’s TN Non-MSA AA and its people. Bank management actively encourages bank employees to “get involved and support local civic services and school systems.” Individually, FNB employees have been involved in civic organizations which assist and support LMI individuals and children of LMI families. Employees assist with various area charities, schools, and other organizations which assist LMI individuals and children of LMI families with issues such as literacy, income, and food through programs at local schools, libraries, churches, and other civic organizations. Credit builder account customers are provided the opportunity to attend a free financial literacy management workshop lead by bank officers and employees. The workshop instructs LMI individuals and children of LMI families how to build good credit, budget, money management, savings plans, and identity theft. Practical financial programs are provided to older students regarding budgeting, savings, credit card dangers, building good credit, and establishing a good

relationship with banks and bankers. It has been the bank's practice to have a Bank Student Advisory Board at each county high school. Board members are seniors and include students from LMI families. Students receive formal presentations at the bank's main office on financial planning, investment options, account operations, how to protect credit, business opportunities, and financial security. Individual financial and business counseling is available for each student as needed.

FNB has an array of alternative delivery systems which benefit LMI individuals. Within the bank's TN Non-MSA AA, there are eight full-service branches with drive-up facilities and ATMs, which are available via auto and pedestrian means. Branches provide at least 40 hours of teller service weekly. Lobby hours and drive-up hours are set to meet customer needs. ATMs that disburse cash and take deposits are located at each branch office. Additionally, there are several free-standing ATMs that disburse cash only. As noted above in the "Description of the Institution" section, the bank offers internet and telephone banking, and MasterCard debit cards that can be used to access customer accounts at POS or ATM locations. Additionally, Visa and MasterCard credit cards are offered by the bank through a third-party. Investment, brokerage, and insurance services are also available through third-party providers.

## **State of Alabama**

**CRA rating for state of Alabama: Outstanding.**

**The Lending Test is rated: Outstanding.**

**The Community Development Test is rated: Outstanding.**

The major factors that support this rating include:

- The bank exhibits excellent geographic distribution of loans in the state.
- The bank exhibits an excellent distribution of loans to individuals of different income levels and businesses of different sizes.
- The bank exhibits outstanding responsiveness to CD needs in the state through CD loans, qualified investments, and CD services, as appropriate, considering the bank's capacity and the need and availability of such opportunities for community development in the bank's AA.

## **DESCRIPTION OF INSTITUTION'S OPERATIONS IN ALABAMA**

FNB operates three offices in the State of Alabama. Within Alabama, one office is in the city of Huntsville, which is in Madison County, and two offices are located in the city of Athens, which is in Limestone County. The Alabama AA, Huntsville MSA AA, consists of 89 CTs within Madison and Limestone County, Alabama. The 89 CTs consist of 12 low-income, 29 moderate-income, 26 middle-income, and 22 upper-income census tracts. The geography of the area ranges from the tall peaks of the southern Appalachian Mountains, to the low valleys formed by the Tennessee River, with the largest city in the AA, Huntsville, sitting at the base of the Monte

Sano Mountain. Primary industries within the AA are professional and technical services, manufacturing, retail trade, and state and local government. The largest employers within this AA include the U.S. Army/Redstone Arsenal, Huntsville City Schools, and The Boeing Company, Cummings Research Park, and Mazda/Toyota. Primary municipalities in the AA are Huntsville, Athens, and Madison, Alabama. The unemployment rate in December 2020 for this AA was 2.8 percent. Total population for the Huntsville MSA AA is approaching 500,000. Numerous large financial institutions create a significant challenge to FNB in obtaining loan and deposit business from the AA’s residents. FNB Pulaski only had 2.3 percent market share of this AA’s deposits as June 30, 2020.

<b>Distribution of Bank Offices and ATMs by Census Tract</b>						
<b>Census Tract</b>	<b>Tracts</b>		<b>Full-Service Branches</b>		<b>Automated Teller Machines (ATMs)</b>	
<b>Income Level</b>	<b>#</b>	<b>%</b>	<b>#</b>	<b>%</b>	<b>#</b>	<b>%</b>
Low	12	13.5	1	3.3	1	25.00
Moderate	29	32.6	1	3.3	1	25.00
Middle	26	29.2	1	3.4	2	50.00
Upper	22	24.7	0	0	0	0
<b>TOTAL</b>	<b>89</b>	<b>100.0</b>	<b>3</b>	<b>100.0</b>	<b>4</b>	<b>100.0</b>

<b>Table A – Demographic Information of the Assessment Area</b>						
<b>Assessment Area: Huntsville AA 2020</b>						
<b>Demographic Characteristics</b>	<b>#</b>	<b>Low % of #</b>	<b>Moderate % of #</b>	<b>Middle % of #</b>	<b>Upper % of #</b>	<b>NA* % of #</b>
Geographies (Census Tracts)	89	13.5	32.6	29.2	24.7	0.0
Population by Geography	435,243	8.6	26.7	32.4	32.4	0.0
Housing Units by Geography	188,077	10.0	27.8	32.5	29.7	0.0
Owner-Occupied Units by Geography	117,889	4.0	24.5	33.8	37.7	0.0
Occupied Rental Units by Geography	52,091	20.4	34.3	30.0	15.3	0.0
Vacant Units by Geography	18,097	18.7	30.9	31.2	19.2	0.0
Businesses by Geography	29,761	10.2	25.4	29.9	34.5	0.0
Farms by Geography	1,029	6.0	27.5	38.9	27.6	0.0
Family Distribution by Income Level	112,844	23.8	16.9	17.3	41.9	0.0
Household Distribution by Income Level	169,980	25.2	15.8	15.9	43.0	0.0
Median Family Income MSA - 26620 Huntsville, AL MSA		\$72,576	Median Housing Value			\$160,520
			Median Gross Rent			\$772
			Families Below Poverty Level			10.3%
<i>Source: 2015 ACS and 2020 D&amp;B Data</i> <i>Due to rounding, totals may not equal 100.0%</i> <i>(*) The NA category consists of geographies that have not been assigned an income classification.</i>						

Two community contacts were conducted during this examination, one within the Tennessee AA and one within the Alabama AA. Both contacts indicated that financial institutions were doing a satisfactory job of meeting the financial needs of the community. Both contacts noted that additional affordable housing was needed for their respective areas. The Alabama community contact noted a limited level of available housing inventory based on a booming economy and high housing demand.

## **SCOPE OF EVALUATION IN ALABAMA**

We performed a full-scope review of the Huntsville MSA AA based on this AA being the only bank AA in the state of Alabama as well as bank activity in this location. Both the Lending Test and CD Test ratings were analyzed to arrive at the overall state rating. Conclusions regarding the bank's lending performance in the AL MSA AA are based on HMDA reportable loans and business loans during the evaluation period for the years 2018-2020. The CD Test includes a review of loans, investments, grants, and donations made in the bank's AA that meet the definition of CD, as well as CD services provided in the bank's AA.

## **CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN ALABAMA**

### **LENDING TEST**

The bank's performance under the Lending Test in Alabama is rated outstanding.

### **Conclusions for AL Non-MSA AA Receiving a Full-Scope Review**

#### **Distribution of Loans by Income Level of the Geography**

The bank exhibits excellent geographic distribution of loans in the state.

#### ***Home Mortgage Loans***

The geographic distribution of home mortgage loans in the Huntsville MSA AA is excellent. Refer to Table O in the state of Tennessee section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations and purchases.

The Huntsville MSA AA includes twelve low-income and 29 moderate-income CTs. For the low-income CTs within this AA, the CT average for households below the poverty level is 37.3 percent and the CT average level of owner-occupied properties is 369 homes, which provides a minimal probability for borrowers to qualify for loans or have access to properties for residential housing loans.

During the evaluation period of 2018-2020, the bank's mortgage lending in the low-income CTs was near to the percent of owner-occupied housing units and exceeded aggregate lending in the low-income CTs. The bank's mortgage lending in the moderate-income CTs exceeded the



percent of owner-occupied housing units and exceeded aggregate lending in the moderate-income CTs.

### ***Small Loans to Businesses***

The geographic distribution of loans to businesses of different sizes within the Huntsville MSA AA is excellent. Refer to Table Q in the “TN Non-MSA” section of appendix D for the facts and data used to evaluate the geographic distribution of the bank’s originations and purchases of small loans to businesses.

During the evaluation period of 2018-2020, the bank’s business lending in low-income CTs was lower the percent of businesses in low-income CTs and was somewhat lower than aggregate lending to small businesses in the low-income CTs. The bank’s business lending in moderate-income CTs exceeded both the percent of businesses and aggregate lending to small businesses in moderate-income CTs.

### **Distribution of Loans by Income Level of the Borrower**

The bank exhibits an excellent distribution of loans in the Huntsville MSA AA to individuals of different income levels and businesses of different sizes, given the product lines offered by the bank.

### ***Home Mortgage Loans***

The distribution of loans to LMI individuals in the Huntsville MSA AA is excellent. Refer to Table P in the “Huntsville MSA AA” section of appendix D for the facts and data used to evaluate the borrower distribution of the bank’s home mortgage loan originations and purchases

During the evaluation period of 2018-2020, the bank’s home mortgage lending to low-income families was lower than percent of families identified as low-income and exceeded aggregate lending to low-income borrowers. During the same time period, the bank’s home mortgage lending to moderate-income families exceeded both the percent of families identified as moderate-income and aggregate lending to moderate-income borrowers.

The bank’s lending to low-income and moderate-income borrowers is impacted by a number of factors, including the poverty level and the affordability of housing within this AA. Approximately 10.3 percent of households within this AA have incomes below the poverty level and the average median housing value is \$160,520. Additionally, the bank directs LMI borrowers into government home loan programs such as USDA/Rural Development, VA, and FHA. During the evaluation period, the bank granted 59 USDA loans totaling \$8.2 million to borrowers within the Huntsville MSA AA. The bank also assists LMI borrowers through the bank’s secondary market lending program.

***Small Loans to Businesses***

The distribution of loans to small businesses in the Huntsville MSA AA is excellent. Refer to Table R in the “Huntsville MSA AA” section of appendix D for the facts and data used to evaluate the borrower distribution of the bank’s originations and purchases of small loans to businesses.

During the evaluation period of 2018-2020, the bank’s lending to businesses with revenues less than or equal to \$1 million was near to the percent of businesses identified as having revenues less than or equal to \$1 million and exceeded aggregate lending to these businesses.

**Responses to Complaints**

FNB did not have any consumer complaints relating to the bank’s CRA performance in the Huntsville MSA AA during this evaluation period.

**COMMUNITY DEVELOPMENT TEST**

The bank’s performance under the CD Test in Alabama is rated outstanding.

**Conclusions for Huntsville MSA AA Receiving Full-Scope Review**

Based on a full-scope review, the bank exhibits excellent responsiveness to CD needs in its AL MSA AA through CD loans, qualified investments, and CD services, as appropriate, considering the bank’s capacity and the need and availability of such opportunities for CD in the bank’s assessment Alabama AA.

**Number and Amount of Community Development Loans**

The Community Development Loan Table, shown below, sets forth the information and date used to evaluate the bank’s level of CD lending. The table includes all CD loans, including multifamily loans that also qualify as CD loans.

<i>Community Development Loans</i>				
Assessment Area	Total			
	#	% of Total #	\$(000's)	% of Total \$
AL MSA	5	100%	\$6,186	100%

Specific examples of the aforementioned CD loans were primarily for community services and economic development. Within the AA, the bank granted four CD loans totaling approximately \$6 million for economic development within the AA involving the purchase of businesses serving individuals in LMI areas or the support for a business that can generate a significant level of jobs, especially for moderate-income individuals.

In a county adjoining the AA, the bank granted a \$9.6 million loan for the purchase of a multifamily housing complex that has affordable housing for low-income individuals.

**Number and Amount of Qualified Investments**

The Qualified Investment Table, shown below, sets forth the information and data used to evaluate the bank’s level of qualified CD investments. This table includes all CD investment, including prior period investments that remain outstanding as of the examination date.

<i>Qualified Investments</i>										
Assessment Area	Prior Period*		Current Period		Total				Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	% of Total #	\$(000's)	% of Total \$	#	\$(000's)
Huntsville MSA AA	0	\$0	12	\$2,251	12	100%	\$2,251	100%	0	\$0

\* Prior Period Investments means investments made in a previous evaluation period that are outstanding as of the examination date.

\*\* Unfunded Commitments means legally binding investment commitments that are tracked and recorded by the institution’s financial reporting system.

Specific examples of the aforementioned CD investments, which included loans, were as follows. During the evaluation period, the bank purchased two mortgaged-backed investment pools supported by residential mortgages totaling \$2.3 million and granted to provide affordable housing to LMI families within the AA. The bank also made CD donations totaling \$300 during the evaluation period.

During the evaluation period, the bank made Non-CD donations totaling \$43 thousand to various community organizations or school organizations related to students of schools within the AA that had a majority of their student population who qualified for federal free or reduced meal programs.

**Extent to Which the Bank Provides Community Development Services**

FNB’s record of providing CD services is excellent. During the evaluation period, the AA’s bank personnel from contributed 237 hours related to CD concerning community services, economic development, and affordable housing. A number of the bank’s officers and other personnel are members of civic clubs and community boards serving the bank’s Huntsville MSA AA and its people. Bank management actively encourages bank employees to “get involved and support local civic services and school systems.” Individually, FNB employees have been involved in civic organizations which assist and support LMI individuals and children of LMI families. Employees assist with various area charities, schools, and other organizations which assist LMI individuals and children of LMI families with issues such as literacy, income, and food through programs at local schools and other civic organizations. One of the organizations served by bank personnel is Community Bank Partners, which fosters financial literacy and home ownership needs of LMI individuals. Another organization served by bank personnel is Committee of 100 Poverty Simulation, which educates community leaders how to provide

support low-income families. Bank senior management actively support the recruiting, expansion, and promoting of new and existing industries in the bank's Huntsville MSA AA.

FNB has an array of alternative delivery systems which benefit LMI individuals. Within the bank's Huntsville MSA AA, there are three full-service branches with drive-up facilities and ATMs, which are available via auto and pedestrian. Of the three branches, the bank has one branch in a low-income CT and another branch in a moderate-income CTs within this AA. Branches provide at least 40 hours of teller service weekly. Lobby hours and drive-up hours are set to meet customer needs. ATMs that disburse cash and take deposits are located at each branch office. Additionally, there are several free-standing ATMs that disburse cash only. As noted above in the "Description of the Institution" section, the bank offers internet and telephone banking, and MasterCard debit cards that can be used to access customer accounts at POS or ATM locations. Additionally, Visa and MasterCard credit cards are offered by the bank through a third-party. Investment, brokerage, and insurance services are also available through third-party providers. Investment, brokerage, and insurance services are also available through third-party providers. FNB's business strategy includes continued marketing of commercial credit to small businesses and individuals through its products, staff, and locations.

## Appendix A: Scope of Examination

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The following table identifies the time period covered in this evaluation, affiliate activities that were reviewed, and loan products considered. The table also reflects the MSA(s) and non-MSA(s) that received comprehensive examination review, designated by the term “full-scope,” and those that received a less comprehensive review, designated by the term “limited-scope”.

<b>Time Period Reviewed:</b>	1/01/2018 to 12/31/20	
<b>Bank Products Reviewed:</b>	Home mortgage and small business loans Community development (CD) loans, qualified investments, services	
<b>Affiliate(s)</b>	<b>Affiliate Relationship</b>	<b>Products Reviewed</b>
NONE	N/A	N/A
<b>List of Assessment Areas and Type of Examination</b>		
<b>Rating and Assessment Areas</b>	<b>Type of Exam</b>	<b>Other Information</b>
<b>Tennessee</b>		
TN Non-MSA AA	Full-Scope	Giles, Lincoln, and Marshall Counties
<b>Alabama</b>		
Huntsville MSA AA	Full-Scope	Limestone and Madison Counties

## Appendix B: Summary of MMSA and State Ratings

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	RATINGS		FNB of Pulaski
<b>Overall Bank:</b>	<b>Lending Test Rating*</b>	<b>CD Test Rating</b>	<b>Overall Bank/State/Multistate Rating</b>
FNB Pulaski	Outstanding	Satisfactory	Satisfactory
Tennessee	Outstanding	Satisfactory	Satisfactory
Alabama	Outstanding	Outstanding	Outstanding

(\*) The Lending Test and Community Development Test carry equal weight in the overall rating.

## Appendix C: Definitions and Common Abbreviations

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The following terms and abbreviations are used in this performance evaluation, including the CRA tables. The definitions are intended to provide the reader with a general understanding of the terms, not a strict legal definition.

**Affiliate:** Any company that controls, is controlled by, or is under common control with another company. A company is under common control with another company if the same company directly or indirectly controls both companies. For example, a bank subsidiary is controlled by the bank and is, therefore, an affiliate.

**Aggregate Lending (Aggt.):** The number of loans originated and purchased by all reporting lenders (HMDA or CRA) in specified income categories as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the state/assessment area.

**Census Tract (CT):** A small, relatively permanent statistical subdivision of a county delineated by a local committee of census data users for the purpose of presenting data. Census tracts nest within counties, and their boundaries normally follow visible features, but may follow legal geography boundaries and other non-visible features in some instances, Census tracts ideally contain about 4,000 people and 1,600 housing units.

**Combined Statistical Area (CSA):** A geographic entity consisting of two or more adjacent Core Based Statistical Areas with employment interchange measures of at least 15. An employment interchange measure is a measure of ties between two adjacent entities. The employment interchange measure is the sum of the percentage of workers living in the smaller entity who work in the larger entity and the percentage of employment in the smaller entity that is accounted for by workers who reside in the larger entity.

**Community Development (CD):** Affordable housing (including multifamily rental housing) for low- or moderate-income individuals; community services targeted to low- or moderate-income individuals; activities that promote economic development by financing businesses or farms that meet Small Business Administration Development Company or Small Business Investment Company programs size eligibility standards or have gross annual revenues of \$1 million or less; or activities that revitalize or stabilize low- or moderate-income geographies, distressed or underserved nonmetropolitan middle-income geographies, or designated disaster areas.

**Community Reinvestment Act (CRA):** The statute that requires the OCC to evaluate a bank's record of meeting the credit needs of its entire community, including LMI areas, consistent with the safe and sound operation of the bank, and to take this record into account when evaluating certain corporate applications filed by the bank.

**Consumer Loan(s):** A loan(s) to one or more individuals for household, family, or other personal expenditures. A consumer loan does not include a home mortgage, small business, or small farm loan. This definition includes the following categories: motor vehicle loans, credit card loans, other secured consumer loans, and other unsecured consumer loans.

**Family:** Includes a householder and one or more other persons living in the same household who are related to the householder by birth, marriage, or adoption. The number of family households always

equals the number of families; however, a family household may also include non-relatives living with the family. Families are classified by type as either a married-couple family or other family, which is further classified into 'male householder' (a family with a male householder and no wife present) or 'female householder' (a family with a female householder and no husband present).

**Full-Scope Review:** Performance under the Lending, Investment, and Service Tests is analyzed considering performance context, quantitative factors (e.g., geographic distribution, borrower distribution, and total number and dollar amount of investments), and qualitative factors (e.g., innovativeness, complexity, and responsiveness).

**Geography:** A census tract delineated by the United States Bureau of the Census in the most recent decennial census.

**Home Mortgage Disclosure Act (HMDA):** The statute that requires certain mortgage lenders that conduct business or have banking offices in a metropolitan statistical area to file annual summary reports of their mortgage lending activity. The reports include such data as the race, gender, and the income of applicants, the amount of loan requested, the disposition of the application (e.g., approved, denied, and withdrawn), the lien status of the collateral, any requests for preapproval, and loans for manufactured housing.

**Home Mortgage Loans:** A closed-end mortgage loan or an open-end line of credit as these terms are defined under 12 CFR 1003.2, and that is not an excluded transaction under 12 CFR 1003.3(c)(1) through (c)(10) and (c)(13).

**Household:** Includes all persons occupying a housing unit. Persons not living in households are classified as living in group quarters. In 100 percent tabulations, the count of households always equals the count of occupied housing units.

**Limited-Scope Review:** Performance under the Lending, Investment, and Service Tests is analyzed using only quantitative factors (e.g., geographic distribution, borrower distribution, total number and dollar amount of investments, and branch distribution).

**Low-Income Individual:** Individual income that is less than 50 percent of the area median income.

**Low Income Geography:** A census tract with a median family income that is less than 50 percent.

**Market Share:** The number of loans originated and purchased by the institution as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the state/assessment area.

**Median Family Income (MFI):** The median income determined by the U.S. Census Bureau every five years and used to determine the income level category of geographies. The median is the point at which half of the families have income above, and half below, a range of incomes. Also, the median income determined by the Federal Financial Institutions Examination Council (FFIEC) annually that is used to determine the income level category of individuals. For any given area, the median is the point at which half of the families have income above, and half below, a range of incomes.

**Metropolitan Division:** As defined by Office of Management and Budget, a county or group of counties within a Core Based Statistical Area that contains an urbanized population of at least 2.5 million. A Metropolitan Division consists of one or more main/secondary counties that represent an



employment center or centers, plus adjacent counties associated with the main/secondary county or counties through commuting ties.

**Metropolitan Statistical Area:** An area, defined by the Office of Management and Budget, as a core based statistical area associated with at least one urbanized area that has a population of at least 50,000. The Metropolitan Statistical Area comprises the central county or counties containing the core, plus adjacent outlying counties having a high degree of social and economic integration with the central county or counties as measured through commuting.

**Middle-Income:** Individual income that is at least 80 percent and less than 120 percent of the area median income, or a median family income that is at least 80 percent and less than 120 percent, in the case of a geography

**Moderate-Income:** Individual income that is at least 50 percent and less than 80 percent of the area median income, or a median family income that is at least 50 percent and less than 80 percent, in the case of a geography.

**Multifamily:** Refers to a residential structure that contains five or more units.

**Owner-Occupied Units:** Includes units occupied by the owner or co-owner, even if the unit has not been fully paid for or is mortgaged.

**Qualified Investment:** A qualified investment is defined as any lawful investment, deposit, membership share, or grant that has as its primary purpose community development.

**Rating Area:** A rated area is a state or multi-state metropolitan statistical area. For an institution with domestic branches in only one state, the institution's CRA rating would be the state rating. If an institution maintains domestic branches in more than one state, the institution will receive a rating for each state in which those branches are located. If an institution maintains domestic branches in two or more states within a multi-state metropolitan statistical area, the institution will receive a rating for the multi-state metropolitan statistical area.

**Small Loan(s) to Business(es):** A loan included in 'loans to small businesses' as defined in the Consolidated Report of Condition and Income (Call Report) instructions. These loans have original amounts of \$1 million or less and typically are either secured by nonfarm or nonresidential real estate or are classified as commercial and industrial loans.

**Small Loan(s) to Farm(s):** A loan included in 'loans to small farms' as defined in the instructions for preparation of the Consolidated Report of Condition and Income (Call Report). These loans have original amounts of \$500,000 or less and are either secured by farmland or are classified as loans to finance agricultural production and other loans to farmers.

**Tier 1 Capital:** The total of common shareholders' equity, perpetual preferred shareholders' equity with non-cumulative dividends, retained earnings and minority interests in the equity accounts of consolidated subsidiaries.

**Upper-Income:** Individual income that is at least 120 percent of the area median income, or a median family income that is at least 120 percent, in the case of a geography.

## Appendix D: Tables of Performance Data

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### Content of Standardized Tables

A separate set of tables is provided for each state. All multistate metropolitan statistical areas, if applicable, are presented in one set of tables. References to the “bank” include activities of any affiliates that the bank provided for consideration (refer to appendix A: Scope of the Examination). For purposes of reviewing the Lending Test tables, the following are applicable: (1) purchased are treated as originations; and (2) “aggregate” is the percentage of the aggregate number of reportable loans originated and purchased by all HMDA or CRA-reporting lenders in the MMSA/assessment area. Deposit data are compiled by the FDIC and are available as of June 30<sup>th</sup> of each year. Tables without data are not included in this PE.

The following is a listing and brief description of the tables included in each set:

- Table O. Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography** - Compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of owner-occupied housing units throughout those geographies. The table also presents aggregate peer data for the years the data is available.
- Table P. Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower** - Compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage distribution of families by income level in each MMSA/assessment area. The table also presents aggregate peer data for the years the data is available.
- Table Q. Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography** - The percentage distribution of the number of small loans (less than or equal to \$1 million) to businesses that were originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of businesses (regardless of revenue size) in those geographies. Because aggregate small business data are not available for geographic areas smaller than counties, it may be necessary to compare bank loan data to aggregate data from geographic areas larger than the bank’s assessment area.
- Table R. Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenue** - Compares the percentage distribution of the number of small loans (loans less than or equal to \$1 million) originated and purchased by the bank to businesses with revenues of \$1 million or less to: 1) the percentage distribution of businesses with revenues of greater than \$1 million; and, 2) the percentage distribution of businesses for which revenues are not available. The table also presents aggregate peer small business data for the years the data is available.
- Table S. Assessment Area Distribution of Loans to Farms by Income Category of the Geography** - The percentage distribution of the number of small loans (less than or equal

to \$500,000) to farms originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of farms (regardless of revenue size) throughout those geographies. The table also presents aggregate peer data for the years the data is available. Because aggregate small farm data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank's assessment area.

- Table T. Assessment Area Distribution of Loans to Farms by Gross Annual Revenues -** Compares the percentage distribution of the number of small loans (loans less than or equal to \$500 thousand) originated and purchased by the bank to farms with revenues of \$1 million or less to: 1) the percentage distribution of farms with revenues of greater than \$1 million; and, 2) the percentage distribution of farms for which revenues are not available. The table also presents aggregate peer small farm data for the years the data is available.
- Table U. Assessment Area Distribution of Consumer Loans by Income Category of the Geography -** Compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of households in those geographies.
- Table V. Assessment Area Distribution of Consumer Loans by Income Category of the Borrower -** Compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage distribution of households by income level in each MMSA/assessment area.

<b>Table O: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography</b>																				<b>2018-20</b>	
Assessment Area:	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts				
	#	\$	% of Total	Overall Market	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate		
TN Non-MSA	610	94,382	100.0	3,281	0.0	0.0	0.0	2.2	2.1	2.3	69.8	74.8	63.3	28.0	23.1	34.4	0.0	0.0	0.0		
<b>Total</b>	<b>610</b>	<b>94,382</b>	<b>100.0</b>	<b>3,281</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>2.2</b>	<b>2.1</b>	<b>2.3</b>	<b>69.8</b>	<b>74.8</b>	<b>63.3</b>	<b>28.0</b>	<b>23.1</b>	<b>34.4</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>		

*Source: 2015 ACS Census; 10/01/2018 - 12/31/2020 Bank Data, 2019 HMDA Aggregate Data, "--" data not available.  
Due to rounding, totals may not equal 100.0%*

<b>Table O: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography</b>																				<b>2018-20</b>	
Assessment Area:	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts				
	#	\$	% of Total	Overall Market	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate		
Huntsville MSA AA	517	103,911	100.0	21,885	4.0	1.0	2.0	24.5	46.4	17.0	33.8	37.1	36.1	37.7	15.5	44.9	0.0	0.0	0.0		
<b>Total</b>	<b>517</b>	<b>103,911</b>	<b>100.0</b>	<b>21,885</b>	<b>4.0</b>	<b>1.0</b>	<b>2.0</b>	<b>24.5</b>	<b>46.4</b>	<b>17.0</b>	<b>33.8</b>	<b>37.1</b>	<b>36.1</b>	<b>37.7</b>	<b>15.5</b>	<b>44.9</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>		

*Source: 2015 ACS Census; 10/01/2018 - 12/31/2020 Bank Data, 2019 HMDA Aggregate Data, "--" data not available.  
Due to rounding, totals may not equal 100.0%*

**Table P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower 2018-20**

	Total Home Mortgage Loans				Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers		
Assessment Area:	#	\$	% of Total	Overall Market	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate
TN Non-MSA	610	94,382	100.0	3,281	17.4	4.4	3.8	17.2	16.4	11.8	21.1	24.9	23.9	44.3	50.0	41.4	0.0	4.3	19.0
<b>Total</b>	<b>610</b>	<b>94,382</b>	<b>100.0</b>	<b>3,281</b>	<b>17.4</b>	<b>4.4</b>	<b>3.8</b>	<b>17.2</b>	<b>16.4</b>	<b>11.8</b>	<b>21.1</b>	<b>24.9</b>	<b>23.9</b>	<b>44.3</b>	<b>50.0</b>	<b>41.4</b>	<b>0.0</b>	<b>4.3</b>	<b>19.0</b>

Source: 2015 ACS Census; 10/01/2018 - 12/31/2020 Bank Data, 2019 HMDA Aggregate Data, "--" data not available.  
 Due to rounding, totals may not equal 100.0%

**Table P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower 2018-20**

	Total Home Mortgage Loans				Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers		
Assessment Area:	#	\$	% of Total	Overall Market	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate
Huntsville MSA AA	517	103,911	100.0	21,885	23.8	11.2	10.4	16.9	20.3	17.4	17.3	23.4	20.0	41.9	37.1	33.1	0.0	7.9	19.1
<b>Total</b>	<b>517</b>	<b>103,911</b>	<b>100.0</b>	<b>21,885</b>	<b>23.8</b>	<b>11.2</b>	<b>10.4</b>	<b>16.9</b>	<b>20.3</b>	<b>17.4</b>	<b>17.3</b>	<b>23.4</b>	<b>20.0</b>	<b>41.9</b>	<b>37.1</b>	<b>33.1</b>	<b>0.0</b>	<b>7.9</b>	<b>19.1</b>

Source: 2015 ACS Census; 10/01/2018 - 12/31/2020 Bank Data, 2019 HMDA Aggregate Data, "--" data not available.  
 Due to rounding, totals may not equal 100.0%

<b>Table Q: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography</b>																				<b>2018-20</b>	
Assessment Area:	Total Loans to Small Businesses				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts				
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate		
TN Non-MSA	668	51,998	100.0	951	0.0	0.0	0.0	4.2	2.7	3.7	73.9	80.8	73.3	21.9	16.5	23.0	0.0	0.0	0.0		
<b>Total</b>	<b>668</b>	<b>51,998</b>	<b>100.0</b>	<b>951</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>4.2</b>	<b>2.7</b>	<b>3.7</b>	<b>73.9</b>	<b>80.8</b>	<b>73.3</b>	<b>21.9</b>	<b>16.5</b>	<b>23.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>		

Source: 2020 D&B Data; 10/01/2018 - 12/31/2020 Bank Data; 2019 CRA Aggregate Data, "--" data not available.  
Due to rounding, totals may not equal 100.0%

<b>Table Q: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography</b>																				<b>2018-20</b>	
Assessment Area:	Total Loans to Small Businesses				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts				
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate		
Huntsville MSA AA	622	65,656	100.0	7,927	10.2	5.6	12.5	25.4	42.4	20.4	29.9	40.2	30.6	34.5	11.7	36.5	0.0	0.0	0.0		
<b>Total</b>	<b>622</b>	<b>65,656</b>	<b>100.0</b>	<b>7,927</b>	<b>10.2</b>	<b>5.6</b>	<b>12.5</b>	<b>25.4</b>	<b>42.4</b>	<b>20.4</b>	<b>29.9</b>	<b>40.2</b>	<b>30.6</b>	<b>34.5</b>	<b>11.7</b>	<b>36.5</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>		

Source: 2020 D&B Data; 10/01/2018 - 12/31/2020 Bank Data; 2019 CRA Aggregate Data, "--" data not available.  
Due to rounding, totals may not equal 100.0%

<b>Table R: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues</b>												<b>2018-20</b>
Assessment Area:	Total Loans to Small Businesses				Businesses with Revenues <= 1MM			Businesses with Revenues > 1MM		Businesses with Revenues Not Available		
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans	
TN Non-MSA	668	51,998	100.0	951	82.1	82.3	49.3	4.5	17.5	13.4	0.2	
<b>Total</b>	<b>668</b>	<b>51,998</b>	<b>100.0</b>	<b>951</b>	<b>82.1</b>	<b>82.3</b>	<b>49.3</b>	<b>4.5</b>	<b>17.5</b>	<b>13.4</b>	<b>0.2</b>	
<i>Source: 2020 D&amp;B Data; 10/01/2018 - 12/31/2020 Bank Data; 2019 CRA Aggregate Data, "--" data not available.            Due to rounding, totals may not equal 100.0%</i>												

<b>Table R: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues</b>												<b>2018-20</b>
Assessment Area:	Total Loans to Small Businesses				Businesses with Revenues <= 1MM			Businesses with Revenues > 1MM		Businesses with Revenues Not Available		
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans	
Huntsville MSA AA	622	65,656	100.0	7,927	83.9	77.2	44.7	4.8	22.2	11.4	0.5	
<b>Total</b>	<b>622</b>	<b>65,656</b>	<b>100.0</b>	<b>7,927</b>	<b>83.9</b>	<b>77.2</b>	<b>44.7</b>	<b>4.8</b>	<b>22.2</b>	<b>11.4</b>	<b>0.5</b>	
<i>Source: 2020 D&amp;B Data; 10/01/2018 - 12/31/2020 Bank Data; 2019 CRA Aggregate Data, "--" data not available.            Due to rounding, totals may not equal 100.0%</i>												