



LARGE BANK

Comptroller of the Currency
Administrator of National Banks
Washington, DC 20219

Public Disclosure

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Community Reinvestment Act
Performance Evaluation

**Swineford National Bank
Charter Number: 7003**

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Middleburg, PA 17842**

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Northern Pennsylvania Field Office
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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 following table indicates the performance level of **Swineford National Bank (SNB)** with respect to the Lending, Investment, and Service Tests:

Performance Levels	Swineford National Bank Performance Tests		
	Lending Test*	Investment Test	Service Test
Outstanding			
High Satisfactory	X	X	X
Low Satisfactory			
Needs to Improve			
Substantial Noncompliance			

* The lending test is weighted more heavily than the investment and service tests when arriving at an overall rating.

The major factors that support this rating include:

- SNB's level of lending is good.
- A substantial majority of home mortgage loans and small loans to businesses and farms are originated in the Assessment Area (AA) for both 2001-2002 and 2003.
- The borrower distribution for home mortgage loans and small loans to businesses is good for both 2001-2002 and 2003.
- Community development lending had a positive impact on the lending test.
- SNB has a good level of community development investments and responsiveness to the identified credit needs in the AA.
- Retail services are accessible to geographies and individuals of different income levels in the AA.
- SNB provides a good level of community development services in the AA.

Definitions and Common Abbreviations

The following terms and abbreviations are used throughout 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. A bank subsidiary is controlled by the bank and is, therefore, an affiliate.

Aggregate Lending: The number of loans originated and purchased by all reporting lenders in specified income categories as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the MA/assessment area.

Block Numbering Area (BNA): A statistical subdivision of a county for grouping and numbering blocks in non-metropolitan counties where local census statistical area committees have not established census tracts. A BNA does not cross county lines.

Census Tract (CT): A small subdivision of metropolitan and other densely populated counties. Census tract boundaries do not cross county lines; however, they may cross the boundaries of metropolitan areas. Census tracts usually have between 2,500 and 8,000 persons, and their physical size varies widely depending upon population density. Census tracts are designed to be homogeneous with respect to population characteristics, economic status, and living conditions to allow for statistical comparisons.

Community Development: 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 the size eligibility standards of the Small Business Administration's Development Company or Small Business Investment Company programs (13 CFR 121.301) or have gross annual revenues of \$1 million or less; or, activities that revitalize or stabilize low- or moderate-income geographies.

Community Reinvestment Act (CRA): the statute that requires the OCC to evaluate a bank's record of meeting the credit needs of its local community, 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, home equity 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 household and no wife present) or 'female householder' (a family with a female householder and no husband present).

Full 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 or a block numbering area 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 do business or have banking offices in a metropolitan area to file annual summary reports of their mortgage lending activity. The reports include such data as the race, gender, and the income of applications, the amount of loan requested, and the disposition of the application (e.g., approved, denied, and withdrawn).

Home Mortgage Loans: such loans include home purchase and home improvement loans, as defined in the HMDA regulation. This definition also includes loans for multifamily (five or more families) dwellings, loans for the purchase of manufactured homes and refinancing of home improvement and home purchase loans.

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 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 income that is less than 50 percent of the area median income, or a median family income that is less than 50 percent, in the case of a geography.

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 MA/assessment area.

Median Family Income (MFI): The median income determined by the U.S. Census Bureau every ten years and used to determine the income level category of geographies. Also, the median income determined by the Department of Housing and Urban Development 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 it and half below it.

Metropolitan Area (MA): Any primary metropolitan area (PMA), metropolitan area (MA), or consolidated metropolitan area (CMA), as defined by the Office of Management and Budget, with a population of 250,000 or more, and any other area designated as such by the appropriate federal financial supervisory agency.

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.

Other Products: Includes any unreported optional category of loans for which the institution collects and maintains data for consideration during a CRA examination. Examples of such activity include consumer loans and other loan data an institution may provide concerning its lending performance.

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.

Rated Area: A rated area is a state or multi-state metropolitan 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 area, the institution will receive a rating for the multi-state metropolitan 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) and the Thrift Financial Reporting (TFR) 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. However, thrift institutions may also exercise the option to report loans secured by nonfarm residential real estate as "small business loans" if the loans are reported on the TFR as nonmortgage, commercial 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 One 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 more than 120 percent of the area median income, or a median family income that is more than 120 percent, in the case of a geography.

Description of Institution

Swineford National Bank (SNB) is a \$250 million institution headquartered in Middleburg, Pennsylvania. SNB is an intrastate bank located in Central Pennsylvania, operating in the counties of Northumberland, Snyder, Union and Juniata. The bank operates seven full service branches with ATMs. In addition, the bank operates two remote location ATMs. SNB's last Public Evaluation (PE) was dated July 16, 2001 and the overall CRA rating assigned was Satisfactory. Since the last PE, SNB has not opened or closed any branches. There are no financial or legal impediments that would hinder SNB's ability to help meet its community credit needs. SNB has no operating subsidiaries.

SNB is a subsidiary of Fulton Financial Corporation (FFC), a multi-bank holding company with \$10.6 billion in total assets as of September 30, 2004. FFC is headquartered in Lancaster, Pennsylvania and was incorporated in 1982. FFC's philosophy is to allow its community banks to operate fairly independently and encourages them to be community oriented. Activities conducted by any FFC subsidiary, other than SNB, have not been considered in this PE.

SNB is a community bank. Its primary products include residential mortgage loans, commercial loans, consumer installment loans, small business loans and agricultural loans. As of December 31, 2004 net loans and leases represent 63.91% of total assets. The breakdown of the loan portfolio is: residential mortgage loans 50%, commercial loans 31%, consumer installment loans 16%, and agricultural loans 3%. Net Tier 1 Capital was \$17 million at December 31, 2004. SNB's competition is very strong and includes several community banks and branches of larger regional banks and mortgage companies operating in its AA.

Scope of the Evaluation

Evaluation Period/Products Evaluated

The evaluation period for the Lending Test for home mortgage loans reported under the Home Mortgage Disclosure Act (HMDA) and for loans to small businesses and small farms is from January 1, 2001 to December 31, 2003. SNB is not a HMDA reporter, but provides mortgage information to its regulator in HMDA format for the purposes of CRA evaluation. For community development loans, and the Investments and Services Tests, the evaluation period is from July 17, 2001 to March 7, 2005. The bank originated only one multi-family loan and just three home improvement loans. There is no demand for multi-family loans in the bank's AA. Home improvement originations are limited due to the way applications are taken for these loans. The bank originates its home improvement loans in its consumer department, rather than home residential department. Therefore, the home improvement loans that SNB originates are not captured in the HMDA format (The tracking of home improvement loan originations is optional data on the HMDA LAR). Due to the limited number of multi-family and home improvement loans originated by SNB, no analysis was performed since the data is not meaningful. The previous CRA evaluation period was from January 1, 1997 to December 31, 2000.

For the HMDA and CRA lending data, it is important to note that this review covers two reporting periods, loans which were reported using 1990 census data (2001-2002 loan originations/purchases) and loans which were reported using 2000 census data (2003 loans origination/purchases). Due to the changes in the demographics from one census year to another, loan data for the two reporting periods was analyzed separately. The lending tables in Appendix C reflect those changes.

Data Integrity

During July of 2004, the OCC examined SNB's publicly filed information and registers to verify the accuracy of the data. These registers contain loan origination data for home mortgage loans and small business loans. We found publicly filed information to be generally accurate. Management prior to the start of our evaluation corrected any errors noted during our review. This evaluation is based on the most accurate data available. During the examination, the accuracy of the community development loans originated, investments purchased, and services provided were verified.

Selection of Areas for Full Scope Review

We conducted a full-scope review of the bank's lone assessment area (AA). Please refer to Appendix B for additional information regarding the market profile of the AA.

Ratings

The bank's overall rating is based on a full-scope review of the bank's lone AA. Home mortgage products received more weight in evaluating the Lending Test rating since SNB originated more mortgage loans (66%) than small loans to businesses or small loans to farms combined (34%) during the rating period. Home mortgage products were identified as a

primary need in the AA during the examination. Home refinance products received more weight in the overall Lending Test than did home purchase loans, because refinance loans represent 70% of all mortgages originated on a combined basis for 2001, 2002, and 2003. Finally, we placed more weight on the analysis of lending to borrowers of different income levels due to the limited number of low- and moderate-income tracts in the AA.

Other

During our examination we conducted two community contacts to gain information on the credit needs within SNB's AA. We conversed with a community development officer from a regional governmental development agency. This agency is very active in affordable housing programs for the elderly. Our discussion was via the telephone. Our contact informed us that the need for affordable housing for the seniors residing in the AA has been met. At this time the market for elderly affordable housing is saturated. The contact also believes that the banks operating in the AA are doing a very good job of meeting the credit needs and providing services for the area residents.

The other community contact verified that the opportunities for investments in the AA are limited and the need for affordable housing for the elderly in the AA has been met.

Fair Lending Review

We found no evidence of unfair or discriminatory lending practices.

Conclusions with Respect to Performance Tests

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the lending test is rated **High Satisfactory**. Based on a full-scope review, the bank's performance in the Non-MSA AA is good.

Lending Activity

Refer to Table 1 Lending Volume in Appendix C for the facts and data used to evaluate the bank's lending activity.

Lending activity in the AA is good. The bank's lending patterns are reflective of the credit needs of the community. Approximately 66% of loans originated during the evaluation period were home mortgage loans. Home purchase loans represent approximately 30% of all mortgages originated in this AA. Home refinance loans represent 70% of all home mortgage loans originated in this AA and, accordingly, received more weight in the analysis. As noted earlier, the bank does not report home improvement loans. The volume of multifamily loans originated by the bank is not significant, therefore an analysis of these loans is not meaningful.

In 2001 SNB sold 319 loans for \$25 million; in 2002 SNB sold 49 loans for \$4 million; and in 2003 SNB sold 440 loans for \$40 million. These loans are reported on SNB's HMDA-LAR because the bank made the credit decision and continues to service these loans.

The average loan-to-deposit ratio for the evaluation period is 79%, indicating that SNB is an active lender, especially given the amount of loans sold during the evaluation period.

A review of market share data for those banks that report HMDA loans indicates that, if SNB reported HMDA loan data, the bank would rank among the top five lenders in each of the counties in which it operates.

In Juniata County, SNB would be ranked second based on 2002 Peer Mortgage Data, and third based on 2003 Peer Mortgage Data. The bank has no market share of deposits in this county because it operates no branches here. Juniata County is included in SNB's AA because of its proximity to the bank's Mount Pleasant Mills branch, a distance of five miles.

In Northumberland County, SNB would be ranked fourth based on 2002 Peer Mortgage Data and third based on 2003 Peer Mortgage Data. Based on the June 30, 2004 FDIC Summary of Deposits, the bank rank's 12th out of 16 financial institutions with a deposit market share of 2.00%.

In Snyder County, where the bank originates most of their home mortgage loans, SNB would be ranked as the second largest lender based on 2002 Peer Mortgage Data and the top lender

based on 2003 Peer Mortgage Data. For deposits, the bank rank's first among seven financial institutions with a 30.68% market share.

In Union County, SNB would be ranked second in lending based on 2002 Peer Mortgage Data and fourth based on 2003 Peer Mortgage Data. For deposits, the bank ranks 6th out of 7 financial institutions with a 4.66% market share.

Small business credit is also an important credit need of the AA. Thirty percent of the bank's lending in the AA during the evaluation period is in small loans to businesses, with small loans to farms accounting for the remaining 4% of reportable loans. SNB ranks as the 6th largest lender for loans to small businesses, with an approximate 5% market share based on peer data.

Although lending to small farms is not a significant business focus of the bank (only 4% of originated loans during evaluation period), SNB is the second largest lender in their AA, with a market share of 14% based on 2002 Peer Small Business Data and nearly 17% based on 2003 Peer Small Business Data. Wachovia Bank, NA, ranks ahead of SNB in 2002. The lead bank in the Fulton Financial Corporation ranks ahead of SNB in 2003.

Distribution of Loans by Income Level of the Geography

Refer to Tables 2, 3, 4 and 5 in Appendix C for the facts and data used to evaluate by income level of geography the distribution of the bank's home mortgage loan originations and purchases.

The distribution of loans by income level of geography is adequate. There are no low-income geographies in the bank's AA. Therefore, an analysis of lending in low-income geographies is not meaningful.

Performance Context

There are limited opportunities to lend in the moderate-income geographies in the AA. According to 1990 U.S. Census Data, only 1.81%, or 1,469 of the owner-occupied housing units are available in the sole moderate-income tract. According to 2000 U.S. Census Data, only 4.77% or 3,253 of the owner-occupied housing units are available in the two moderate-income tracts. Additionally, there is strong competition for home mortgage loans. There are at least five other financial institutions with branches located in these moderate-income geographies, and there are a significant number of other financial intermediaries doing business in the area. In 2002, there were 52 financial institutions vying for loans in the sole moderate-income tract. In 2003, there were as many as 93 financial institutions vying for market share in the two moderate-income tracts.

According to 2002 Business Demographic Data, only 6.64% of small businesses (those with revenues of less than \$1 million), or 393 businesses, are located in moderate-income geographies. According to 2003 Business Demographic Data, only 9.96% of small businesses, or 578 businesses, are located in these geographies. Thirty-seven lenders compete for small business loans in Northumberland County where the moderate-income tracts are located.

Home Mortgage Loans

Refer to Tables 2 and 4 in Appendix C for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations and purchases. Table 3 contains data on the limited number of home improvement loans, but as noted no analysis was performed because the data would not be meaningful.

The geographic distribution of home purchase mortgage loans is adequate in moderate-income geographies when considering performance context, as described. Based on 1990 U.S. Census Data, the bank made no home purchase loans in moderate-income geographies. According to 2000 U.S. Census data, the percentage of loans originated by SNB in moderate-income geographies is lower than the percentage of owner-occupied units in those geographies. As stated above, both the limited availability of housing units for home ownership and the competition for loans in these geographies contribute to the bank's performance in the moderate-income geographies.

The geographic distribution of home refinance mortgage loans is adequate in moderate-income geographies when considering performance context, as described. Based on 1990 U.S. Census data, the percentage of home refinance loans originated by the bank in moderate-income geographies is somewhat lower than the percentage of owner-occupied units in those geographies. According to 2000 U.S. Census data, the percentage of home refinance loans originated by the bank in moderate-income geographies is significantly lower than the percentage of owner-occupied units in those geographies. Again, both the limited availability of housing units for home ownership and the competition for loans in those geographies contribute to the bank's performance in the moderate-income geographies.

Small Loans to Businesses

Refer to Table 6 in Appendix C for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to businesses. Again, there are no low-income geographies in the bank's AA.

The geographic distribution of small loans to businesses in moderate-income geographies is adequate. According to 1990 Business Demographic Data, the percentage of small loans to businesses in moderate-income geographies is significantly lower than the percentage of businesses in the AA. The bank's market share in the moderate-income geography is significantly lower than its overall market share. According to 2000 Business Demographic Data, the percentage of small loans to businesses in moderate-income geographies is lower than the percentage of businesses in the AA. The bank's market share in the moderate-income geography is below its overall market share. This performance is adequate when considering the limited opportunities, i.e. performance context issues, for lending to businesses in these geographies.

Small Loans to Farms

Refer to Table 7 in Appendix C for data on small farms. There are no low-income geographies. No farms are located in the moderate-income geographies, therefore an analysis would not be meaningful.

Lending Gap Analysis

Our review of the geographic distribution of loans did not detect any conspicuous or unexplained gaps in lending patterns.

Inside/Outside Ratio

SNB originated a substantial majority of its home mortgage loans and small loans to businesses within the bank's AA.

- During the 2001-2002 period, 79% of home purchase loans and 88% of home refinance loans were originated in the AA. During the 2003 period, 92% of home purchase loans and 88% of home refinance loans were originated in the AA.
- During the 2001-2002 period, 96% of small business loans and 100% of small farm loans were originated in the AA. During the 2003 period, 80% of small business loans and 100% of small farm loans were originated in the AA.

This performance factored positively into the overall analysis of the geographic distribution of lending by income level of geography.

Distribution of Loans by Income Level of the Borrower

Home Mortgage Loans

Refer to Tables 8, 9, and 10 in Appendix C for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases. Table 7 contains data on home improvement loans, but as we noted previously we did not do an analysis on these loan originations because the data would not be meaningful.

The distribution of loans by income level of the borrower is good when considering the affordability of homeownership for low- and moderate-income persons in the AA. Based on 1990 U.S. Census data, the median housing cost is \$57,362. The 2002 Updated Median Family Income is \$41,400. This means that a low-income person earns less than \$20,550. A moderate-income person earns more than \$20,550 but less than \$32,880. Additionally, 10% of households have incomes below the poverty level, per the 1990 U.S. Census.

According to 2000 U.S. Census data, the median housing cost is \$89,465. The 2003 Updated Median Family Income is \$47,400. This means that a low-income person earns less than \$23,700. A moderate-income person earns more than \$23,700 but less than \$37,920. Again, 10% of households have incomes below the poverty level, per the 2000 U.S. Census.

Home Purchase

Refer to Table 8 in Appendix C. Borrower distribution of home purchase loans is good when considering the difficulties encountered by low-income borrowers in purchasing a home. Based on 1990 U.S. Census data, the percentage of loan originations to low-income borrowers is lower than the percentage of low-income borrowers in the AA. According to 2000 U.S. Census data, the percentage of loan originations to low-income borrowers is somewhat lower than the percentage of low-income borrowers in the AA. This performance is adequate when considering the difficulty that low-income borrowers have in purchasing a home, as described above.

Distribution of home purchase loans to moderate-income borrowers is excellent. Based on 1990 and 2000 U.S. Census data, the percentage of loan originations to moderate-income borrowers exceeds the percentage of moderate-income borrowers in the AA.

Home Refinance

Refer to Table 10 in Appendix C. Borrower distribution of home refinance loans is good when considering the affordability of housing for low-income borrowers. Based on 1990 U.S. Census data, the percentage of loan originations to low-income borrowers is significantly lower than the percentage of low-income borrowers in the AA. According to 2000 U.S. Census data, the percentage of loan originations to low-income borrowers is somewhat lower than the percentage of low-income borrowers in the AA. This performance is considered adequate when considering the affordability of housing for low-income borrowers in the AA.

Distribution of home refinance loans to moderate-income borrowers is excellent. Based on 1990 and 2000 U.S. Census data, the percentage of loan originations to moderate-income borrowers exceeds the percentage of moderate-income borrowers in the AA.

Small Loans to Businesses

Refer to Table 11 in Appendix C for the facts and data used to evaluate the borrower distribution of the bank's origination/purchase of small loans to businesses.

The borrower distribution of small loans to businesses is good. According to 1990 census information, the percentage of small loans to small businesses (businesses with revenues of \$1 million or less) is near to the percentage of small businesses within the AA. Using 2000 census data, the percentage of small loans to small businesses is somewhat lower than the percentage of small businesses within the AA. For both 1990 and 2000 census data, the market share for small loans made to small businesses substantially exceeds SNB's overall market share. The distribution by size of loan shows that a majority of the loan originations are for \$100,000 or less. This is another indication that business lending is primarily to small businesses.

Small Loans to Farms

Refer to Table 12 in the Appendix C for the facts and data used to evaluate the borrower distribution of the bank's origination/purchase of small loans to farms.

The borrower distribution of small loans to farms is good. According to 1990 census information, the percentage of small loans to small farms (farms with revenues of \$1 million or less) is near to the percentage of small farms within the AA. Using 2000 census data, the percentage of small loans to small farms is somewhat lower than the percentage of small farms within the AA. For both 1990 and 2000 census data, the market share for small loans made to small farms substantially exceeds SNB's overall market share. The distribution by size of loan shows that a majority of the loan originations are for \$100,000 or less. This is another indication that farm lending is primarily to small farms.

Community Development (CD) Lending

Refer to Table 1 Lending Volume in Appendix C for the facts and data used to evaluate the bank's level of community development lending. This table includes all CD loans, including multifamily loans that also qualify as CD loans. In addition, Table 5 includes geographic lending data on all multi-family loans, including those that also qualify as CD loans. However, Table 5 does not separately list CD loans.

Community development lending had a positive impact on the Lending Test. We determined through our community contact and our internal research that there are limited opportunities for community development lending within SNB's AA. The AA is rural and there is strong competition for community development loans from both regional and other community banks operating in the area.

SNB originated a CD loan for \$335,000 in July 2002 to assist in the construction of a 30 unit low- and moderate-income (LMI) housing facility designated for the elderly and handicapped. The housing facility is located in Northumberland County within the bank's AA. All residents are LMI individuals and rents are based on income levels.

SNB originated one loan for \$95,000 to an organization responsible for building LMI housing for the elderly just outside the AA. See also the Investment Test comment.

Product Innovation and Flexibility

Product innovation and flexibility had a neutral impact on the Lending Test conclusion. SNB participates with several organizations to offer flexible mortgage products that serve LMI borrowers. SNB offers below market rate mortgages to LMI families through the Pennsylvania Housing Finance Authority (PHFA) with a minimum down payment of 5%. SNB originated 27 loans for \$2.3 million in 2001, two loans for \$95 thousand in 2002, and one loan for \$49 thousand in 2003.

Under the rural housing program the bank grants mortgages to LMI borrowers up to 100% financing. The state guarantees the down payment funds for the loan. SNB originated 8 loans totaling \$511 thousand in 2001; 3 loans totaling \$226 thousand in 2002; and 12 loans totaling \$1.1 million in 2003.

SNB participates with the Union County Affordable Housing program (UCAH) and the Union County Housing Authority Affordable Housing program (UCHAAH). UCAH assists first time

LMI homebuyers with closing costs and down payments. Union County has created a new program - Rural Housing, Inc. (RHI). The program helps people become first time homebuyers. RHI will purchase a property and then rent the property to a potential homebuyer. After renting the property for two-to-three years and completing a credit education program, the party has the option to purchase the home. Because of the two-to-three year rental period, financing of any home purchase did not begin until 2004. During 2004, Swineford was the only bank that participated in this program. SNB originated through UCAH five loans totaling \$316 thousand in 2001, one loan totaling \$65 thousand in 2002, and one loan totaling \$87 thousand in 2003.

SNB participates with the Northumberland County Planning Commission to offer closing cost and down payment assistance to LMI borrowers. SNB estimates that loan originations from this program have been one per year for 2001, 2002 and 2003.

Through PHFA, SNB offers the Homestead Program, which provides non-interest bearing second mortgages to LMI borrowers for down payments and closing costs only. No repayment is required until payoff of the first mortgage or sale of the property. SNB originated one loan totaling \$60 thousand in 2001, no loans in 2002, and one loan totaling \$60 thousand in 2003.

INVESTMENT TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the investment test is rated **High Satisfactory**. Based on full-scope review, the bank's performance in the Non-MSA AA is good.

Refer to Table 14 in Appendix C for the facts and data used to evaluate the bank's level of qualified investments.

New Equity Investment

Georgetown Heights – In 2003 SNB invested \$404 thousand in an LMI elderly housing project located in Dalmatia, Pennsylvania (Northumberland County), consisting of 24 affordable housing units. SNB is a 24.75% limited partner in the project. SNB participated in this project with two other financial institutions and a non-profit regional planning and economic development agency (SEDA-COG) for the project. SNB's current book value of the investment is \$385 thousand. All residents will have income levels below 60 percent of the area median income. SNB received tax credits for this investment. In addition, SNB made a donation of \$6 thousand to the project.

This investment is located 10 miles outside of the bank's AA. However, the bank is given credit for the investment due to market saturation of LMI elderly housing units within the AA and the limited investment opportunities in the AA. The need for LMI elderly housing units in the bank's AA has been met through the existing projects per our community contact. There are currently 14 buildings designated for LMI seniors with 820 plus units. SNB has been involved in two of projects for LMI seniors as outlined below. The OCC's District Community Affairs Officer confirmed that investment opportunities in the SNB's AA are limited and that there is stiff competition for any available investment from numerous local and regional banks operating in the same area. The Georgetown Heights project serves a broader regional and state-wide need for LMI housing.

Outstanding Equity Investments

Market Street Manor – In 2000 SNB invested \$400 thousand in a LMI elderly housing project located in Selinsgrove, Pennsylvania (Snyder County), consisting of 17 affordable housing units. During this evaluation period SNB injected an additional \$12.6 thousand into the project. SNB's current book value is \$279 thousand. SNB is a 40% limited partner in the project. SNB took the leadership role for this project. Bank management successfully solicited two other financial institutions and a non-profit regional planning and economic development agency (SEDA-COG) for the project. All residents will have income below 60 percent of the area median income.

High Street Manor – In 1997 SNB invested \$495 thousand in a LMI elderly housing project located in Selinsgrove, Pennsylvania (Snyder County), consisting of 25 affordable housing units. The current book value is \$238 thousand. SNB is a 49.5% limited partner in the project. SNB participated in this complex project with another local financial institution and a non-profit planning and economic development agency (SEDA-COG).

SNB received tax credits for both of these limited partnership investments.

State Wide Bonds

The bank holds two Pennsylvania Housing Finance Agency bonds that have a current book value of \$414 thousand. The proceeds of these securities benefited low-and-moderate-income homeowners throughout the state of Pennsylvania, including the bank's AA.

Grants and Donations

During the evaluation period, SNB provided fourteen qualified grants and donations totaling \$9 thousand to local non-profit organizations for various CD initiatives throughout their AA.

SERVICE TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Service Test is rated **High Satisfactory**. Based on full-scope review, the bank's performance in the Non-MSA AA is good.

Retail Banking Services

Refer to Table 15 in Appendix C for the facts and data used to evaluate the distribution of the bank's branch delivery system and branch openings and closings.

SNB's retail services are accessible to geographies and individuals of different income levels within the AA. SNB operates seven full service offices in the AA. One office is located in a moderate-income census tract in the City of Sunbury, five are located in middle-income census tracts and one is located in an upper-income census tract. All of the branches have drive-up facilities, ATMs, extended evening hours at least one day per week, and Saturday morning hours. There are also two remote location ATMs in the AA, both located in middle-income areas. A full line of traditional banking products and services are offered at all of the branches. SNB offers Bank-By-Phone and Internet banking, and optional bill payment which costs \$4.95 per month.

SNB has not opened nor closed any branches during the evaluation period.

Community Development Services

Community development services provided by SNB are good. During the assessment period several SNB officers provided both financial and technical expertise to a variety of community organizations. The following is a list of community development services that SNB officers and employees are involved in:

- The bank's President is a Board member and serves on the Finance Committee for a child development agency. This is a non-profit provider of child-care programs, which includes Head Start and Early Head Start programs. These federally funded programs are targeted for families with income at or below the federal poverty level. Early Head Start provides services such as early childhood education, health/nutrition and other

services. Head Start strives to help children develop skills that lead to success in school and later in life.

- One employee serves on the Board and is the Treasurer for a public agency that provides assistance to neglected and abused children in Snyder County. The majority of children that receive services are from low- and moderate-income families.
- One employee is a Board member for a revitalization organization and services on the finance and budget committee. The organization works with local small businesses and community leaders to promote economic development and revitalize the downtown area. The committee has been working on three projects to improve downtown Mifflinburg. The committee secured a grant for Main Street and is working to improve both sidewalks and building exteriors. Another project the revitalization committee is involved in is a grant from the Pennsylvania Department of Transportation. This project is designed to improve and widen a state road in Mifflinburg. The committee is also involved in a matching money grant of up to \$5 thousand for small business owners to improve their properties.
- One employee is a Board member for a revitalization association. This organization is involved in stimulating downtown revitalization and working with local small businesses and government to promote economic development. The association has been recently involved in three projects in the City of Sunbury. The Elm Street Project received grants to improve sidewalks and fund small exterior improvements for residential homes. The Main Street Project was funded by grants from the state. The funds were used to improve small business storefronts in downtown Sunbury. Another project the association was involved in is the Degenstein Foundation grant to refurbish front porches that were in disarray in the City of Sunbury.
- One officer is a committee member of the loan committee group. The purpose of this organization is to provide loans to small businesses for a variety of uses ranging from building improvements to job creation. The officer assists the committee by reviewing loan applications for small business loans.
- One employee serves as a Board member for two local affordable housing organizations. These organizations provide assistances for LMI individuals purchasing a house. These programs promote first time homebuyers and provide them with below market interest rates for 30 year fixed rate mortgages. Down payments range from 0-5% down. Borrowers must not exceed the income levels set by the state and have a good credit history.

Appendix A: Scope of Examination

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 metropolitan and non-metropolitan areas 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”).

Time Period Reviewed	Lending Test (excludes CD Loans): January 1, 2001 to December 31, 2003 Investment and Service Tests and CD Loans: July 17, 2001 to March 7, 2005	
Financial Institution:	Products Reviewed	
Swineford National Bank (SNB) Middleburg, Pa	Home Mortgage Loans; Small Business Loans; CD Loans; CD Investments; CD Services	
Affiliate(s)	Affiliate Relationship	Products Reviewed
Fulton Financial Corporation	Holding Company	NA
List of Assessment Areas and Type of Examination		
Assessment Area	Type of Exam	Other Information
Non-MSA (Snyder, Union, Northumberland, and Juniata Counties)	Full scope	NA

Appendix B: Market Profiles for Full-Scope Areas

Table of Contents

Market Profiles for Areas Receiving Full-Scope Reviews

Swineford National Bank – Non MSA AA.....	B-2 through B-4
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Swineford National Bank – Non MSA AA

Swineford Non-MSA 2001-2002

Demographic Information for Full Scope Area: Swineford Non-MSA 2001-2002						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	21	0.00	4.76	80.95	14.29	0.00
Population by Geography	100,822	0.00	2.93	80.53	16.54	0.00
Owner-Occupied Housing by Geography	25,738	0.00	1.81	82.54	15.65	0.00
Business by Geography	5,917	0.00	6.64	67.48	25.87	0.00
Farms by Geography	473	0.00	0.00	83.09	16.91	0.00
Family Distribution by Income Level	26,138	14.92	18.76	25.89	40.44	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	8,802	0.00	3.86	86.45	9.69	0.00
Median Family Income		28,934	Median Housing Value		54,344	
HUD Adjusted Median Family Income for 2002		41,100	Unemployment Rate (State of PA, 2002)		5.6%	
Households Below Poverty Level		12.86%				

(*) The NA category consists of geographies that have not been assigned an income classification.
 Source: 1990 US Census and 2002 HUD updated MFI

Swineford Non-MSA 2003

Demographic Information for Full Scope Area: Swineford Non-MSA 2003						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	21	0.00	9.52	76.19	14.29	0.00
Population by Geography	106,936	0.00	6.19	78.04	15.77	0.00
Owner-Occupied Housing by Geography	27,702	0.00	4.77	79.98	15.25	0.00
Business by Geography	5,801	0.00	9.96	64.40	25.63	0.00
Farms by Geography	489	0.00	0.00	81.59	18.40	0.00
Family Distribution by Income Level	26,903	14.93	19.00	25.15	40.93	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	9,127	0.00	9.51	81.47	9.02	0.00
Median Family Income		41,549	Median Housing Value		77,754	
HUD Adjusted Median Family Income for 2003		47,400	Unemployment Rate (State of PA, 2003)		5.7%	
Households Below Poverty Level		11.40%				

(*) The NA category consists of geographies that have not been assigned an income classification.
 Source: 2000 US Census and 2003 HUD updated MFI

SNB's AA includes 21 census tracts in the central Pennsylvania counties of Juniata, Northumberland, Snyder, and Union. This is a non-MSA area. SNB has no banking facilities in Juniata County but includes one census tract from the county in its AA due to its proximity and contiguousness with SNB's branch in Mount Pleasant Mills. SNB operates seven full service offices in the AA. One office is located in a moderate-income census tract in the City of Sunbury, five are located in middle-income census tracts, and one is located in an upper-income census tract. All of the branches have drive-up facilities, ATMs, extended evening hours at least one day per week, and Saturday morning hours. There are also two remote location ATMs in the AA, both in middle-income areas. A full line of traditional banking products and services are offered at all of the branches.

Based on the June 30, 2004 FDIC Summary of Deposits:

- SNB has one office in Northumberland County and ranks 12th out of 16 financial institutions with a deposit market share of 2.00%. Manufacturers & Traders Trust Company ranks first with 4 offices and a 17.58% market share. First Susquehanna Bank & Trust ranks second with 6 offices and a 17.56% market share. Northumberland National Bank ranks third with 3 offices and a 14.13% market share.
- SNB has four offices in Snyder County and ranks first among seven financial institutions with a 30.68% market share. SunBank, a much larger regional financial institution, ranks 2nd with 4 offices and a 28.35% market share. Northumberland National Bank ranks third with 1 office and a 16.81% market share.
- SNB has two offices in Union County and ranks 6th out of 7 financial institutions with a 4.66% market share. West Milton State Bank ranks first with 3 offices and a 32.68% market share of deposits. Mifflinburg Bank & Trust Company ranks second with 3 offices and a 31.62% market share. SunBank ranks third with 3 offices and a 10.28% market share.
- The bank has no market share of deposits in Juniata County because it operates no branches there. Juniata Valley Bank operates 4 offices in this County and has a 42.08% market share of deposits. First National Bank of Mifflintown ranks second with 5 offices and a 39.94% market share. Omega Bank NA ranks third with 2 offices and a 11.14% market share.

No market share information is available on home mortgages as the SNB is not an official HMDA reporter. SNB ranks as the 6th largest lender for loans to small businesses, with an approximate 5% market share based on 2003 peer data. SNB is the second largest lender for small farms loans in their AA, with a market share of 14% based on 2002 Peer Small Business Data and nearly 17% based on 2003 Peer Small Business Data. Wachovia Bank, NA, ranks ahead of SNB in 2002. The lead bank in the Fulton Financial Corporation ranks ahead of SNB in 2003.

SNB offers a traditional line of banking products for loans and deposits. The economy in the area is relatively stable. Major employers in the AA include:

- Northumberland County – Weis Markets, and county and state government offices;
- Snyder County – Wood Mode, Conestoga Wood Specialties Corp, and state government offices;
- Union County – Bucknell University, Evangelical Community Hospital, and the federal government; and

- Juniata County – Empire Kosher Poultry, the Juniata County School District, and Triangle Pacific Corporation.

During our examination we contacted a community development officer from a regional governmental development agency. This agency is very active in affordable housing programs for the elderly. Our contact informed us that the need for affordable housing for the seniors in the area has been met. At this time the market for elderly affordable housing is saturated. The contact also believes that the area banks are doing a very good job meeting the credit needs and providing services for the area residents.

Appendix C: Tables of Performance Data

Content of Standardized 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: purchased loans are treated as originations/purchases and market share is the number of loans originated and purchased by the bank as a percentage of the aggregate number of reportable loans originated and purchased by all lenders in the MA/assessment area. Tables without data are not included in this PE.

The following is a listing and brief description of the tables:

- Table 1. Lending Volume** - Presents the number and dollar amount of reportable loans originated and purchased by the bank over the evaluation period by MA/assessment area. Community development loans to statewide or regional entities or made outside the bank’s assessment area may receive positive CRA consideration. Refer to Interagency Q&As __.12(i) - 5 and - 6 for guidance on when a bank may receive positive CRA consideration for such loans. When such loans exist, insert a line item with the appropriate caption, such as “Statewide/Regional” or “Out of Assessment Area,” in the MA/Assessment Area column and record the corresponding numbers and amounts in the “Community Development Loans” column.
- Table 1. Other Products** - Presents the number and dollar amount of any unreported category of loans originated and purchased by the bank over the evaluation period by MA/assessment area. Examples include consumer loans or other data that a bank may provide, at its option, concerning its lending performance. This is a two-page table that lists specific categories.
- Table 2. Geographic Distribution of Home Purchase Loans** - 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 market share information based on the most recent aggregate market data available.
- Table 3. Geographic Distribution of Home Improvement Loans** - See Table 2.
- Table 4. Geographic Distribution of Home Mortgage Refinance Loans** - See Table 2.
- Table 5. Geographic Distribution of Multifamily Loans** - Compares the percentage distribution of the number of multifamily loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of multifamily housing units throughout those geographies. The table

also presents market share information based on the most recent aggregate market data available.

- Table 6. Geographic Distribution of Small Loans to Businesses** - The percentage distribution of the number of small loans (less than or equal to \$1 million) to businesses 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) throughout those geographies. The table also presents market share information based on the most recent aggregate market data available. Because small business 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 7. Geographic Distribution of Small Loans to Farms** - 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 market share information based on the most recent aggregate market data available. Because 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 8. Borrower Distribution of Home Purchase Loans** - 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 MA/assessment area. The table also presents market share information based on the most recent aggregate market data available.
- Table 9. Borrower Distribution of Home Improvement Loans** - See Table 8.
- Table 10. Borrower Distribution of Refinance Loans** - See Table 8.
- Table 11. Borrower Distribution of Small Loans to Businesses** - Compares the percentage distribution of the number of small loans (less than or equal to \$1 million) originated and purchased by the bank to businesses with revenues of \$1 million or less to the percentage distribution of businesses with revenues of \$1 million or less. In addition, the table presents the percentage distribution of the number of loans originated and purchased by the bank by loan size, regardless of the revenue size of the business. Market share information is presented based on the most recent aggregate market data available.
- Table 12. Borrower Distribution of Small Loans to Farms** - Compares the percentage distribution of the number of small loans (less than or equal to \$500,000) originated and purchased by the bank to farms with revenues of \$1 million or less to the percentage distribution of farms with revenues of \$1 million or less. In addition, the table presents the percentage distribution of the number of loans originated and purchased by the bank by loan size, regardless of the revenue size of the farm.

Market share information is presented based on the most recent aggregate market data available.

Table 13. Geographic and Borrower Distribution of Consumer Loans (OPTIONAL) - For geographic distribution, the table 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 within each geography. For borrower distribution, the table 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 of households by income level in each MA/assessment area.

Table 14. Qualified Investments - Presents the number and dollar amount of qualified investments made by the bank in each MA/AA. The table separately presents investments made during prior evaluation periods that are still outstanding and investments made during the current evaluation period. Prior-period investments are reflected at their book value as of the end of the evaluation period. Current period investments are reflected at their original investment amount even if that amount is greater than the current book value of the investment. The table also presents the number and dollar amount of unfunded qualified investment commitments. In order to be included, an unfunded commitment must be legally binding and tracked and recorded by the bank's financial reporting system.

A bank may receive positive consideration for qualified investments in statewide/regional entities or made outside of the bank's assessment area. See Interagency Q&As __.12(i) - 5 and - 6 for guidance on when a bank may receive positive CRA consideration for such investments. When such investments exist, insert a line item with the appropriate caption, such as "Statewide/Regional" or "Out of Assessment Area," in the MA/Assessment Area column and record the corresponding numbers and amounts in the "Qualified Investments" column.

Table 15. Distribution of Branch Delivery System and Branch Openings/Closings - Compares the percentage distribution of the number of the bank's branches in low-, moderate-, middle-, and upper-income geographies to the percentage of the population within each geography in each MA/AA. The table also presents data on branch openings and closings in each MA/AA.

Institution ID: SWINEFORD NATIONAL BANK 7003

Table 1. Lending Volume

LENDING VOLUME												
Geography: SWINEFORD												
Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2003												
MA/Assessment Area (2002):	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$(000's)	
Full Review:												
Swineford Non-MSA 2001-2002	100.00	656	53,406	329	32,088	26	1,555	1	335	1,012	87,384	100.00
Swineford Non-MSA 2003	100.00	425	38,360	178	15,494	35	2,881	0	0	638	56,735	100.00
Swineford Non-MSA 2003 – Outside AA	NA	NA	NA	NA	NA	NA	NA	1	95	1	95	NA

* For 2001-2002, Loan Data as of December 31, 2002. For 2003, Loan Data as of December 31, 2003.. Rated area refers to either state or multi-state MA rating area.

** The evaluation period for Community Development Loans is from July 17, 2001 to March 7, 2005.

*** Deposit Data as of June 30, 2004. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

Institution ID: SWINEFORD NATIONAL BANK 7003

Table2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE															Geography: SWINEFORD					Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2003				
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*													
	#	% of Total**	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Overall	Low	Mod	Mid	Upp									
Full Review:																								
Swineford Non-MSA 2001-2002	200	100.00	0.00	0.00	1.81	0.00	82.54	87.50	15.65	12.50	NA	NA	NA	NA	NA									
Swineford Non-MSA 2003	98	100.00	0.00	0.00	4.77	2.04	79.98	82.65	15.25	15.31	NA	NA	NA	NA	NA									

NA – Market share data is not available for Swineford National Bank. While SNB provides loan data to its regulators in a HMDA format, by regulation the institution is not HMDA reporter and does not submit its mortgage data to the FFIEC and, as a result, no market share data is available.

* For 2001-2002, based on 2002 Peer Mortgage Data: Northeast Region 2. For 2003, based on 2003 Peer Mortgage Data (Eastern)

** Home purchase loans originated and purchased in the AA as a percentage of all home purchase loans originated and purchased in the rated area.

*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 1990 Census information for 2001-2002 and 2000 Census information for 2003.

Institution ID: SWINEFORD NATIONAL BANK 7003

Table 3. Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT		Geography: SWINEFORD					Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2003					Market Share (%) by Geography*				
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans						
Full Review:																
Swineford Non-MSA 2001-2002	3	100.00	0.00	0.00	1.81	0.00	82.54	100.00	15.65	0.00	NA	NA	NA	NA	NA	
Swineford Non-MSA 2003	0	0.00	0.00	0.00	4.77	0.00	79.98	0.00	15.25	0.00	NA	NA	NA	NA	NA	

NA – Market share data is not available for Swineford National Bank. While SNB provides loan data to its regulators in a HMDA format, by regulation the institution is not HMDA reporter and does not submit its mortgage data to the FFIEC and, as a result, no market share data is available.

* For 2001-2002, based on 2002 Peer Mortgage Data: Northeast Region 2. For 2003 based on 2003 Peer Mortgage Data (Eastern).

** Home improvement loans originated and purchased in the AA as a percentage of all home improvement loans originated and purchased in the rated area.

*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 1990 Census information.

Institution ID:

SWINEFORD NATIONAL BANK 7003

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE		Geography: SWINEFORD					Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2003					Market Share (%) by Geography [*]				
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total ^{**}	% Owner Occ Units ^{***}	% BANK Loans	% Owner Occ Units ^{***}	% BANK Loans	% Owner Occ Units ^{***}	% BANK Loans	% Owner Occ Units ^{***}	% BANK Loans						
Full Review:																
Swineford Non-MSA 2001-2002	453	100.00	0.00	0.00	1.81	1.10	82.54	85.87	15.65	13.03	NA	NA	NA	NA	NA	
Swineford Non-MSA 2003	326	100.00	0.00	0.00	4.77	1.53	79.98	83.44	15.25	15.03	NA	NA	NA	NA	NA	

NA – Market share data is not available for Swineford National Bank. While SNB provides loan data to its regulators in a HMDA format, by regulation the institution is not HMDA reporter and does not submit its mortgage data to the FFIEC and, as a result, no market share data is available.

^{*} For 2001-2002, based on 2002 Peer Mortgage Data: Northeast Region 2. For 2003 based on Peer Mortgage Data (Eastern).

^{**} Home refinance loans originated and purchased in the AA as a percentage of all home refinance loans originated and purchased in the rated area.

^{***} Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 1990 Census information for 2001-2002, and on 2000 Census information for 2003.

Institution ID: SWINEFORD NATIONAL BANK 7003

Table 5. Geographic Distribution of Multifamily Loans

Geographic Distribution: MULTIFAMILY															
Geography: SWINEFORD															
Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2003															
MA/Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography [*]				
	#	% of Total ^{**}	% of MF Units ^{***}	% BANK Loans	% MF Units ^{***}	% BANK Loans	% MF Units ^{***}	% BANK Loans	% MF Units ^{***}	% BANK Loans	Overall	Low	Mod	Mid	Upp
Full Review:															
Swineford Non-MSA 2001-2002	0	0.00	0.00	0.00	17.13	0.00	59.75	0.00	23.12	0.00	NA	NA	NA	NA	NA
Swineford Non-MSA 2003	1	100.00	0.00	0.00	21.92	0.00	55.46	100.00	22.62	0.00	NA	NA	NA	NA	NA

NA – Market share data is not available for Swineford National Bank. While SNB provides loan data to its regulators in a HMDA format, by regulation the institution is not HMDA reporter and does not submit its mortgage data to the FFIEC and, as a result, no market share data is available.

^{*} For 2001-2002, based on 2002 Peer Mortgage Data: Northeast Region 2. For 2003 based on Peer Mortgage Data (Eastern).

^{**} Multi-family loans originated and purchased in the AA as a percentage of all multi-family loans originated and purchased in the rated area.

^{***} Percentage of Multi Family Units is the number of multi family units in a particular geography divided by the number of multifamily housing units in the area based on 1990 Census information for 2001-2002 and 2000 Census information for 2003.

Institution ID: SWINEFORD NATIONAL BANK 7003

Table 6. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES		Geography: SWINEFORD				Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2003									
MA/Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography [*]				
	#	% of Total ^{**}	% of Businesses ^{***}	% BANK Loans	% of Businesses ^{***}	% BANK Loans	% of Businesses ^{***}	% BANK Loans	% of Businesses ^{***}	% BANK Loans	Overall	Low	Mod	Mid	Upp
Full Review:															
Swineford Non-MSA 2001-2002	329	100.00	0.00	0.00	6.64	0.30	67.48	82.37	25.88	17.33	4.91	0.00	0.68	6.67	7.14
Swineford Non-MSA 2003	178	100.00	0.00	0.00	9.96	3.37	64.40	75.84	25.64	20.79	4.79	0.00	1.64	5.90	6.62

^{*} For 2001-2002, based on 2002 Peer Small Business Data: US and PR. For 2003, based on 2003 Peer Small Business Data: US and PR.

^{**} Small loans to businesses originated and purchased in the AA as a percentage of all small loans to businesses originated and purchased in the rated area.

^{***} Source Data - Dun and Bradstreet (2002 and 2003).

Institution ID: SWINEFORD NATIONAL BANK 7003

Table 7. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL LOANS TO FARMS		Geography: SWINEFORD					Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2003					Market Share (%) by Geography [*]				
MA/Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total ^{**}	% of Farms ^{***}	% BANK Loans	% of Farms ^{***}	% BANK Loans	% of Farms ^{***}	% BANK Loans	% of Farms ^{***}	% BANK Loans						
Full Review:																
Swineford Non-MSA 2001-2002	26	100.00	0.00	0.00	0.00	0.00	83.09	100.00	16.91	0.00	14.05	0.00	0.00	15.60	0.00	
Swineford Non-MSA 2003	35	100.00	0.00	0.00	0.61	2.86	80.98	85.71	18.41	11.43	16.91	0.00	33.33	16.30	26.67	

^{*} For 2001-2002, based on 2002 Peer Small Business Data: US and PR. For 2003, based 2003 Peer Small Business Data: US and PR.

^{**} Small loans to farms originated and purchased in the AA as a percentage of all small loans to farms originated and purchased in the rated area.

^{***} Source Data - Dun and Bradstreet (2003).

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Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE		Geography: SWINEFORD				Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2003					Market Share*				
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Overall	Low	Mod	Mid	Upp
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****					
Full Review:															
Swineford Non-MSA 2001-2002	200	100.00	14.92	5.58	18.76	26.90	25.89	30.46	40.43	37.06	NA	NA	NA	NA	NA
Swineford Non-MSA 2003	98	100.00	14.93	9.47	19.00	32.63	25.15	31.58	40.92	26.32	NA	NA	NA	NA	NA

NA – Market share data is not available for Swineford National Bank. While SNB provides loan data to its regulators in a HMDA format, by regulation the institution is not HMDA reporter and does not submit its mortgage data to the FFIEC and, as a result, no market share data is available.

* For 2001-2002, based on 20002 Peer Mortgage Data: Northeast Region 2. For 2003 peer Mortgage data (Eastern)

** As a percentage of loans with borrower income information available.

*** For 2001-2002, Percentage of Families is based on the 1990 Census information. For 2003, Percentage of Families is based on the 2000 Census information.

**** Home purchase loans originated and purchased in the AA as a percentage of all home purchase loans originated and purchased in the rated area.

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Table 9. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT		Geography: SWINEFORD					Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2003					Market Share [*]				
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Overall	Low	Mod	Mid	Upp	
	#	% of Total ^{**}	% Families ^{***}	% BANK Loans ^{****}	% Families ^{***}	% BANK Loans ^{****}	% Families ^{***}	% BANK Loans ^{****}	% Families ^{***}	% BANK Loans ^{****}						
Full Review:																
Swineford Non-MSA 2001-2002	3	100.00	14.92	0.00	18.76	33.33	25.89	0.00	40.43	66.67	NA	NA	NA	NA	NA	
Swineford Non-MSA 2003	0	0	14.93	0.00	19.00	0.00	25.15	0.00	40.92	0.00	NA	NA	NA	NA	NA	

NA – Market share data is not available for Swineford National Bank. While SNB provides loan data to its regulators in a HMDA format, by regulation the institution is not HMDA reporter and does not submit its mortgage data to the FFIEC and as a result no market share data is available.

^{*} For 2001-2002, based on 20002 Peer Mortgage Data: Northeast Region 2. For 2003 peer Mortgage data (Eastern).

^{**} As a percentage of loans with borrower income information available.

^{***} For 2001-2002, Percentage of Families is based on the 1990 Census information. For 2003, Percentage of Families is based on the 2000 Census information.

^{****} Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

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Table 10. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE		Geography: SWINEFORD					Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2003					Market Share*				
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers							
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Overall	Low	Mod	Mid	Upp	
Full Review:																
Swineford Non-MSA 2001-2002	453	100.00	14.92	2.73	18.76	19.32	25.89	34.55	40.43	43.40	NA	NA	NA	NA	NA	
Swineford Non-MSA 2003	326	100.00	14.93	6.88	19.00	29.38	25.15	29.69	40.92	34.05	NA	NA	NA	NA	NA	

NA – Market share data is not available for Swineford National Bank. While SNB provides loan data to its regulators in a HMDA format, by regulation the institution is not HMDA reporter and does not submit its mortgage data to the FFIEC and as a result no market share data is available.

* For 2001-2002, based on 20002 Peer Mortgage Data: Northeast Region 2. For 2003 peer Mortgage data (Eastern).

** As a percentage of loans with borrower income information available.

*** For 2001-2002, Percentage of Families is based on the 1990 Census information. For 2003, Percentage of Families is based on the 2000 Census information.

**** Home refinance loans originated and purchased in the AA as a percentage of all home refinance loans originated and purchased in the rated area.

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Table 11. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES		Geography: SWINEFORD			Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2003				
MA/Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Market Share *	
	#	% of Total**	% of Businesses***	% BANK Loans****	\$100,000 or less	> \$100,000 to \$250,000	> \$250,000 to \$1,000,000	All	Rev\$ 1 Million or Less
Full Review:									
Swineford Non-MSA 2001-2002	329	100.00	69.21	65.65	75.08	14.89	10.03	4.91	10.22
Swineford Non-MSA 2003	178	100.00	64.80	57.30	79.21	12.92	7.87	4.79	7.77

* For 2001-2002, based on 2002 Peer Small Business Data: US and PR. For 2003 based on 2003 Peer small Business Data: US and PR.

** Small loans to businesses originated and purchased in the AA as a percentage of all small loans to businesses originated and purchased in the rated area.

*** Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B – 2002 and 2003).

**** Small loans to businesses with revenues of \$1 million or less as a percentage of all loans reported as small loans to businesses.

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Table 12. Borrower Distribution of Small Loans to Farms

Borrower Distribution: SMALL LOANS TO FARMS		Geography: SWINEFORD			Evaluation Period: JANUARY 1, 2001 TO DECEMBER 31, 2003				
MA/Assessment Area:	Total Small Loans to Farms		Farms With Revenues of \$1 million or less		Loans by Original Amount Regardless of Farm Size			Market Share *	
	#	% of Total**	% of Farms***	% BANK Loans****	\$100,000 or less	> \$100,000 to \$250,000	> \$250,000 to \$1,000,000	All	Rev\$ 1 Million or Less
Full Review:									
Swineford Non-MSA 2001-2002	26	100.00	95.35	88.46	84.62	11.54	3.84	14.05	17.28
Swineford Non-MSA 2003	35	100.00	95.30	65.71	71.43	22.86	5.71	16.91	20.00

* For 2001-2002, based on 2002 Peer Small Business Data: US and PR. For 2003 based on 2003 Peer small Business Data: US and PR.

** Small loans to farms originated and purchased in the AA as a percentage of all small loans to farms originated and purchased in the rated area.

*** Farms with revenues of \$1 million or less as a percentage of all farms (Source D&B – 2002 and 2003).

**** Small loans to farms with revenues of \$1 million or less as a percentage of all loans reported as small loans to farms.

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Table 14. Qualified Investments

QUALIFIED INVESTMENTS									
Geography: SWINEFORD									
Evaluation Period: JULY 17, 2001 TO MARCH 7, 2005									
MA/Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
Full Review:									
Swineford Non-MSA 2001-2002	2	504	14	17	16	521	38.48	0	0
Swineford Non-MSA 2001-2002 –State Wide Housing Bonds	2	414	0	0	2	414	30.58	0	0
Swineford Non-MSA 2003 – Outside AA	0	0	2	410	2	410	30.28	0	0
Swineford Non-MSA 2003	0	0	14	9	14	9	0.66	0	0

* 'Prior Period Investments' means investments made in a previous 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.

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Table 15. Distribution of Branch Delivery System and Branch Openings/Closings

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS																	
Geography: SWINEFORD																	
Evaluation Period: JULY 17, 2001 TO MARCH 7, 2005																	
MA/Assessment Area:	Deposits	Branches						Branch Openings/Closings						Population			
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Full Review:																	
Swineford Non-MSA 2001-2003	100.00	7	100.00	0.00	14.29	71.42	14.29	0	0	0	0	0	0	0.00	2.93	80.53	16.54