



LARGE BANK

Comptroller of the Currency
Administrator of National Banks

Washington, DC 20219

PUBLIC DISCLOSURE

September 21, 2009

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

First National Bank & Trust Company of Columbus
Charter Number: 8328

2623 Thirteenth Street
Columbus, Nebraska 68601

Office of the Comptroller of the Currency

Midsized Bank Supervision
440 South LaSalle Street, Suite 2700
Chicago, Illinois 60605-1073

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 First National Bank & Trust Company of Columbus with respect to the Lending, Investment, and Service Tests:

Performance Levels	First National Bank & Trust Company of Columbus 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:

- Lending activity reflected excellent responsiveness by FNB&T to address the credit needs in the assessment area.
- The geographic distribution of the bank's reported loans reflected good penetration throughout the assessment area.
- FNB&T's distribution of loans to borrowers of different income levels and businesses and farms of different sizes was good.
- The bank had a good level of qualified investments during the evaluation period.
- Retail banking services were accessible to individuals and geographies of different income levels.
- FNB&T provided a relatively high level of community development services.

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.

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.

Effective September 1, 2005, the Board of Governors of the Federal Reserve System, Office of the Comptroller of the Currency, and the Federal Deposit Insurance Corporation have adopted the following additional language as part of the revitalize or stabilize definition of community development. Activities that revitalize or stabilize-

- (i) Low-or moderate-income geographies;
- (ii) Designated disaster areas; or
- (iii) Distressed or underserved nonmetropolitan middle-income geographies designated by the Board, Federal Deposit Insurance Corporation, and Office of the Comptroller of the Currency, based on-
 - a. Rates of poverty, unemployment, and population loss; or
 - b. Population size, density, and dispersion. Activities that revitalize and stabilize geographies designated based on population size, density, and dispersion if they help to meet essential community needs, including needs of low- and moderate-income individuals.

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 householder 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 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 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 applications, the amount of loan requested, and the disposition of the application (e.g., approved, denied, and withdrawn). Beginning in 2004, the reports also include additional data on loan pricing, the lien status of the collateral, any requests for preapproval and loans for manufactured housing.

Home Mortgage Loans: Such loans include home purchase, home improvement and refinancings, as defined in the HMDA regulation. These include loans for multifamily (five or more families) dwellings, manufactured housing and one-to-four family dwellings other than manufactured housing.

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 metropolitan statistical area or metropolitan division, as defined by the Office of Management and Budget and any other area designated as such by the appropriate federal financial supervisory agency.

Metropolitan Division: As defined by Office of Management and Budget, a county or group of counties within a Metropolitan Statistical Area that contains a population of at least 2.5 million. A Metropolitan Division consists of one or more counties that represent an employment center or centers, plus adjacent counties associated with the main county or counties through commuting ties.

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

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.

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 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.

Description of Institution

First National Bank & Trust Company of Columbus (FNB&T) is a full-service financial institution headquartered in Columbus, Nebraska. FNB&T offers a full range of credit products within its assessment area including real estate, agricultural, commercial, and consumer loans.

For purposes of CRA evaluation, FNB&T is an intrastate bank with offices located in Nebraska only. The bank is an intermediate small bank that opted to be examined under large bank CRA examination procedures. As of September 21, 2009, the bank's main office and one branch office were located in Columbus. The bank had two additional branches located in Norfolk, Nebraska. None of the offices were located in a Metropolitan Statistical Area (MSA). The bank had nine automated teller machines (ATMs) and five cash dispensing machines disbursed throughout the assessment area. The bank had no subsidiaries and no merger or acquisition activities during the evaluation period.

FNB&T is a subsidiary of First National of Nebraska, Inc. (FNNI). FNNI is a \$16 billion multi-bank holding company headquartered in Omaha, Nebraska. In addition to FNB&T, FNNI owns eight other national banks located in Nebraska, Colorado, Kansas, Illinois, and South Dakota. FNNI also owns one state-chartered bank located in Nebraska.

As of June 30, 2009, FNB&T had \$408 million in total assets and Tier 1 capital of \$32 million. The bank's loan-to-deposit ratio was 91 percent and net loans represented 80 percent of total assets. By dollar amount, the loan portfolio consisted of the following types of credit: 32 percent commercial (including commercial real estate); 31 percent agricultural (including agricultural real estate); 10 percent residential real estate; 5 percent consumer; and 1 percent other. The remaining 20 percent of the bank's portfolio was comprised of credit card participations purchased from an affiliate bank.

There were no known legal, financial, or other impediments that hampered FNB&T's ability to help meet the credit needs of its assessment area. The bank previously attained a "Satisfactory" rating at the most recent CRA examination dated August 14, 2006.

Scope of the Evaluation

Evaluation Period/Products Evaluated

The evaluation period for home mortgage loans, small loans to businesses, and small loans to farms was January 1, 2006 through December 31, 2008. We based market comparisons on 2008 peer data. For community development loans, the Investment Test, and the Service Test, the evaluation period was January 1, 2006 through September 21, 2009.

We did not include multifamily or home improvement lending in our analysis as FNB&T's loan volume of this product was not significant. As of June 30, 2009, multifamily mortgage loans and home improvement loans each represented less than one percent of the bank's total loans. Additionally, the bank did not collect specific CRA information on these loan types as the bank voluntarily collects mortgage information.

While credit card loan participations comprised a moderate portion of the bank's loan portfolio, we did not include these loans in the analysis of borrower and geographic distribution of loans. The participations represented a loan product offered nationwide by an affiliate bank. As a result, the vast majority of credit card borrowers were outside FNB&T's assessment area. When analyzing lending activity, we took into consideration whether credit card loan participations were purchased to the detriment of borrowers within the assessment area.

Data Integrity

As part of the CRA evaluation, we tested the accuracy of FNB&T's publicly filed information for small loans to businesses and farms. We also tested the accuracy of FNB&T's home mortgage information, which was voluntarily collected. We noted some errors in the collection data; however, the errors did not preclude an accurate analysis of the bank's CRA performance. We did not require FNB&T to correct the data.

We also reviewed community development loans, investments, and services submitted by FNB&T to ensure they met the regulatory definition for community development. We excluded some submitted items from this evaluation because they did not meet the definition or purpose of community development.

Selection of Areas for Full-Scope Review

The bank operated in one assessment area during the evaluation period. We performed a full-scope review of the Columbus/Norfolk assessment area. Refer to the table in Appendix A for more information.

Ratings

The bank's overall rating was based on the area that received a full-scope review.

When determining conclusions for the lending test, we weighted loan products to be reflective of FNB&T's loan volume by product type over the evaluation period. We weighted small loans to farms most heavily because this represented 53 percent of the total number of loans

originated by the bank in the assessment area during the evaluation period. Small loans to businesses were the next largest loan volume product and accounted for 33 percent of total reported loans. Home mortgage loans accounted for 14 percent of reported loans.

Other

We performed two community contacts during the examination. Our contacts represented a local economic development organization and a local housing organization. The contacts stated that the overall economic conditions in the area were relatively steady, with some recent retraction due to the national economic downturn. One contact noted a need for affordable housing, especially in the city of Columbus. The contacts were complimentary of the local financial institutions' responsiveness to area credit needs and participation with community development initiatives. They were not aware of any unmet credit needs in the assessment area.

Fair Lending or Other Illegal Credit Practices Review

We found no evidence of discriminatory or other illegal credit practices inconsistent with helping to meet community credit needs.

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". This is based on the full-scope review of the Columbus/Norfolk assessment area.

Lending Activity

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

FNB&T's lending activity reflected excellent responsiveness to credit needs in the Columbus/Norfolk assessment area. The bank's volume of small loans to farms was the primary factor supporting this conclusion.

To analyze the lending activity of FNB&T, we compared the bank's deposit market share with its lending market share for each loan product where information was available. In comparing the market share percentages, we considered the fact that the deposit market share analysis only included deposit-taking financial institutions with one or more offices in the assessment area. However, the lending market share calculations included lenders who did not have deposit-taking facilities in the assessment area, as well some non-bank lenders.

Based on FDIC deposit market share data as of June 30, 2009, there were 27 deposit-taking financial institutions with 68 offices in the Columbus/Norfolk assessment area. FNB&T was ranked the largest institution with a 16 percent deposit market share. The following provides the bank's rank and market share by loan type:

- The bank originated 1,874 small loans to farms totaling \$138 million. This represented 27 percent of all reported small loans to farms in the assessment area, ranking second among 20 lenders.
- FNB&T made 1,158 small loans to businesses totaling \$106 million. This represented 12 percent of all reported small loans to businesses in the assessment area, ranking third among 36 lenders.
- FNB&T originated 478 home purchase and home refinance loans totaling \$50 million. Market share data was not available for home mortgage lending since FNB&T was not a HMDA reporter.

FNB&T addressed local credit needs before purchasing credit card participations from an affiliate bank. The bank's holding company requires all subsidiary banks to meet the credit needs of their local assessment areas prior to purchasing the credit card participations. As of December 31, 2008, the bank's credit card participations purchased totaled \$95 million.

Distribution of Loans by Income Level of the Geography

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.

FNB&T achieved a good geographic distribution of home purchase and home mortgage refinance loans throughout the assessment area. For both loan products, the bank's percentage of loans in the moderate-income geography is equal to the percentage of owner-occupied homes located in this geography.

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.

The bank's distribution of small loans to businesses by geographic income level was excellent. FNB&T's percentage of small loans to businesses in the moderate-income census tract exceeded the percentage of businesses that were located in that census tract. Additionally, the bank's market share for small loans to businesses in moderate-income geographies far exceeded the bank's overall market share for all small loans to businesses.

Small Loans to Farms

Refer to Table 7 in Appendix C for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to farms.

The bank's geographic distribution of small loans to farms in the assessment area was good. FNB&T's percentage of small loans to farms in the moderate-income geography was slightly below the percentage of farms located in the moderate-income census tract. The bank's market share for the small loans to farms in the moderate-income geography was significantly higher than the bank's overall market share for small loans to farms.

In concluding the bank's overall distribution of loans by income level of the geography, we gave less consideration to the analysis conducted on the small loans to farms. This is due to the extremely low number of total farms located in the only moderate-income census tract in the assessment area.

Lending Gap Analysis

A lending gap analysis showed no conspicuous gaps in the bank's lending. During the evaluation period, FNB&T originated at least one home mortgage small business, or small farm loan in each census tract in the assessment area.

Inside/Outside Ratio

The bank originated a high percentage of the bank's reported loans within its assessment area. During the evaluation period, the bank originated 79 percent of the total number of its

home mortgage loans, small loans to businesses, and small loans to farms within its assessment area. This factored favorably in the overall conclusions regarding the geographic distribution of loans.

Distribution of Loans by Income Level of the Borrower

Home Mortgage Loans

Refer to Tables 8 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.

The distribution of FNB&T's home purchase loans by borrower income level throughout the assessment area was excellent. The bank's percentage of home purchase loans to moderate-income borrowers was excellent as it significantly exceeded the percentage of families in the assessment area that were moderate-income. The percentage of loans to low-income borrowers was somewhat below the portion of families in the assessment area that were low-income. This is mitigated by the fact that ten percent of families are below poverty levels and would have difficulty qualifying for a residential mortgage loan due to their limited income. The percentage of home purchase loans to low-income borrowers was good.

The bank achieved a good distribution of home mortgage refinance loans to borrowers of different income levels throughout the assessment area. FNB&T's percentage of home mortgage refinance loans to moderate-income borrowers was good as it was just slightly below the percentage of moderate-income borrowers in the assessment area. The percentage of the bank's refinance loans to low-income borrowers was somewhat lower than the percentage of families in the assessment area that were low-income. This is also mitigated by the poverty level discussed in the paragraph above. The percentage of the bank's refinance loans to low-income borrowers was good.

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 bank's distribution of small loans to businesses was excellent. FNB&T's percentage of reported loans to businesses with gross annual revenues of \$1 million or less was significantly greater than the percentage of businesses in the assessment area with revenues of \$1 million or less. Market share performance was also strong, with the bank's percentage of loans to businesses with revenues of \$1 million or less exceeding its overall market share of small loans to businesses. FNB&T also originated a majority of its reported loans to businesses in amounts of \$100 thousand or less. Loan size often loosely correlates to the size of the business.

Small Loans to Farms

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

FNB&T's distribution of small loans to farms with different revenues was adequate.good. The bank's percentage of reported loans to farms with gross annual revenues of \$1 million or less

was near to the percentage of farms in the assessment area with revenues of \$1 million or less. FNB&T's market share of loans to farms with revenues of \$1 million or less was slightly below its overall market share of small loans to farms. The bank originated a good majority of its reported loans to farms in the amounts of \$100 thousand or less during the evaluation period. Loan size often loosely correlates to the size of the farm.

Community Development 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.

Community development lending levels were insignificant and had a neutral impact on the Lending Test conclusions. FNB&T purchased a \$50 thousand participation in a loan to a non-profit organization. The proceeds were used to purchase land for developing affordable housing primarily for low- and moderate-income individuals in Columbus, Nebraska.

Product Innovation and Flexibility

FNB&T participated in several flexible affordable housing lending programs during the evaluation period to meet the credit needs of low- and moderate-income borrowers in the Columbus/Norfolk assessment area. The bank's participation in these programs received positive consideration in the analysis of Lending Test performance.

The following summarizes FNB&T's participation in the flexible loan programs during the evaluation period:

- Nebraska Investment Finance Authority (NIFA) – FNB&T made 175 loans totaling \$13.8 million under the NIFA program. NIFA's loan programs provide financing to qualified low- and moderate-income borrowers throughout Nebraska. NIFA loans typically have lower interest rates and down payment requirements than traditional loan programs.
- Rural Development Guaranteed Rural Housing 503 Program (RD) – FNB&T made 97 loans totaling \$7.9 million during the evaluation period. RD loans offer 100 percent financing, no borrower closing costs, and monies for the rehabilitation of the property being purchased. FNB&T continues to be a top lender in the USDA's Guaranteed Rural Housing Program.
- My Community Mortgage (MCM) – FNB&T made 41 MCM loans totaling \$3.4 million. MCM loan program provides financing to qualified borrowers with income limits based upon household size. MCM loans have 100 percent financing and reduced mortgage insurance premiums for low down payment buyers.
- Federal Housing Administration (FHA) – FNB&T originated 14 FHA loans totaling \$1.4 million. This housing program primarily serves low- and moderate-income applicants and offers reduced down payment requirements, lower interest rates, and more liberal underwriting criteria than conventional loans.
- Northeast Nebraska Development District, Inc. and NeighborWorks Down Payment Assistance (DPA) Programs – The bank made 16 loans under these programs totaling

\$239,800. These programs are offered to assist low- and moderate-income homebuyers with down payment requirements. The DPA program consists of a second mortgage at zero percent interest and no payment requirements until after the first mortgage is paid in full.

- Federal Home Loan Bank Grants (FHLB) – FNB&T made 20 loans eligible for the FHLB grant totaling \$80,000. This loan program provides financing to qualified borrowers with income limits based upon household size. The grants are forgivable second liens to first time homebuyers for down payments, closing costs, or home rehabilitation costs.
- Veterans Administration – FNB&T originated two loans under this program totaling \$257,150. This is a loan program sponsored by the federal government that offers 100 percent financing and low closing costs.

INVESTMENT TEST

Conclusions for Areas Receiving Full-Scope Reviews

FNB&T's performance under the Investment Test is rated "High Satisfactory." This is based on the full-scope review of the bank's assessment area.

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

FNB&T had a good level of qualified investments during the evaluation period. These investments were responsive to community needs. The bank made \$147 thousand in qualified investments directly benefiting the assessment area and \$39 thousand in investments benefiting the statewide area that had the potential to benefit the bank's assessment area. FNB&T also had a \$250 thousand prior period investment that was still outstanding as of this evaluation and continues to have a positive impact on the assessment area. Qualified investments comprised 1.36 percent of Tier One Capital. Investment opportunities in the assessment area are limited.

Current period investments consisted of donations to several organizations that provide community services, promote economic development, and provide affordable housing. The organizations included, but were not limited to, donations to the local area Chambers of Commerce, local chapters of the United Way, and a local food pantry.

SERVICE TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Service Test is rated "High Satisfactory." This is based on the full-scope review of the Columbus/Norfolk assessment area.

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.

The bank's service delivery systems are accessible to geographies and individuals of different income levels throughout the Columbus/Norfolk assessment area. The bank had three of its four branches located in middle-income census tracts with the fourth located in an upper-income census tract. The only moderate-income census tract in the assessment area is directly adjacent to the two census tracts where the Norfolk branches are located. Additionally, only four percent of the assessment area population resides in the moderate-income tract.

Hours and services offered throughout the assessment area did not vary in a way that inconvenienced the assessment area, including low- and moderate-income areas. FNB&T supplemented its banking hours and services with Saturday hours at all locations. They also had extended drive-up hours at all four of their locations. The bank accepted residential real estate applications at the Norfolk main bank and Columbus branch location while the Norfolk branch location and Columbus main bank did not have residential real estate lenders. Additionally, the bank accepted commercial loans at the Norfolk and Columbus main banks while the Norfolk and Columbus branch locations did not have commercial lenders onsite. In all instances, customers wanting to apply for these loan products are referred to the other bank locations in Columbus or Norfolk. The lack of lenders at these locations did not place undue hardship on potential credit applications because of the close proximity of branches offering that particular product.

FNB&T offered several alternative delivery systems, including a telephone banking service, Internet banking, ATMs, and banking by mail. Telephone and Internet services were available 24 hours per day and allowed customers to access account and review loan balances, transfer funds, and pay bills. No information was available on the effectiveness of these services in reaching the moderate-income geography or low- or moderate-income individuals. We did not place significant weight on these systems when drawing conclusions under the Service Test.

Community Development Services

FNB&T officers provided a relatively high level of community development services by participating in a variety of organizations that benefited low- and moderate-income individuals, promote economic development, or provided affordable housing. During the evaluation period, 24 bank employees lent their expertise to 18 different community development organizations in the assessment area. Many times bank representatives assumed leadership roles with these organizations. The following examples illustrate some of the services provided:

- Numerous bank representatives have provided significant leadership to entities primarily involved in the economic development of the Columbus/Norfolk assessment area. FNB&T employees held roles including board members, committee chairpersons, instructors, and counselors for these organizations.
- Several bank associates provided financial expertise to ten entities providing community services targeted to low- and moderate-income individuals and families. During the

evaluation period, bank personnel served in the roles of board members, instructors, and members of various committees for these organizations.

- Four FNB&T employees were involved with the Platte Valley Housing Development Corporation, an organization that works to provide safe, affordable housing for low- and moderate-income individuals in northeastern Nebraska. FNB&T employees served as the President, a board member, and two served as homebuyer instructors to educate individuals on various programs.

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 nonmetropolitan 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): 1/1/2006 to 12/31/2008 Investment and Service Tests and CD Loans: 1/1/2006 to 9/21/2009	
Financial Institution	Products Reviewed	
First National Bank & Trust Co. of Columbus (FNB&T) Columbus, Nebraska	Home Mortgage Loans; Small Loans to Businesses and Farms; Community Development Loans, Investments, and Services; Retail Banking Services	
Affiliate(s)	Affiliate Relationship	Products Reviewed
First National Bank of Omaha (FNBO)	Sister Bank	Community Development Investments
List of Assessment Areas and Type of Examination		
Assessment Area	Type of Exam	Other Information
Columbus/Norfolk AA	Full-Scope	The assessment area includes 20 census tracts in the following Nebraska counties: Butler, Colfax, Madison, Platte, and Polk.

Appendix B: Market Profiles for Full-Scope Areas

Columbus/Norfolk Assessment Area

Demographic Information for Full Scope Area: Columbus/Norfolk Assessment Area						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	20	NA	5%	75%	20%	0%
Population by Geography	83,964	NA	4%	68%	28%	0%
Owner-Occupied Housing by Geography	22,422	NA	2%	69%	29%	0%
Business by Geography	7,986	NA	4%	73%	23%	0%
Farms by Geography	1,135	NA	1%	88%	11%	0%
Family Distribution by Income Level	21,978	14%	18%	24%	44%	0%
Distribution of Low and Moderate Income Families throughout AA Geographies	7,018	NA	6%	73%	21%	0%
Median Family Income HUD Adjusted Median Family Income for 2008 Households Below Poverty Level		41,596 51,800 10%	Median Housing Value Unemployment Rate (**)		76,513 3-4%	

(*) The NA category consists of geographies that have not been assigned an income classification.

(**) Source: Department of Labor Statistics August 2008-July 2009

Source: 2000 US Census and 2008 HUD updated MFI.

FNB&T's assessment area consisted of five contiguous counties in northeast Nebraska: Madison, Platte, Polk, the southern portion of Colfax, and the northern portion of Butler. The assessment area complied with regulatory requirements and did not arbitrarily exclude any low- or moderate-income areas. FNB&T operated in four locations: two in Columbus and two in Norfolk. The bank also had 14 ATMs, nine of which accepted deposits.

Through 2006 and 2007, local economic conditions were good. Agricultural production and manufacturing were the dominant influences in the economy and both industries were doing well. However, the national economic downturn that began in 2008 caused some decline in the local economy, primarily in the manufacturing industry. Several facilities experienced layoffs and decreased production; and one major facility was scheduled to close. From August 2008 to July 2009, the average unemployment rate in the assessment area ranged from three to four percent. For comparison, the national unemployment rate averaged nearly eight percent during the same time period.

The bank operated in a competitive environment. FNB&T's major competitors included Elkhorn Valley Bank & Trust, Pinnacle Bank, BankFirst, and TierOne Bank. Based on June 30, 2008 deposit market share data compiled by the FDIC, FNB&T's deposits in the assessment area totaled approximately \$361 million. With a market share of 16 percent, FNB&T ranked highest among 27 area deposit-taking financial institutions in the assessment area. Loan competition was also high as credit unions, finance companies, and mortgage companies also competed for loan production throughout the assessment area.

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: (1) 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; (2) Partially geocoded loans (loans where no census tract is provided) cannot be broken down by income geographies and, therefore, are only reflected in the Total Loans in Core Tables 2 through 7 and part of Table 13; and (3) Partially geocoded loans are included in the Total Loans and % Bank Loans Column in Core Tables 8 through 12 and part of Table 13. 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. See Interagency Q&As __.12 (i) - 5 and - 6 for guidance on when a bank may receive positive CRA consideration for such loans.
- 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.

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.

Table 1. Lending Volume

LENDING VOLUME JANUARY 1, 2006 TO DECEMBER 31, 2008											Evaluation Period:	
MA/Assessment Area:	% 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:												
Columbus/Norfolk AA	100%	478	49,611	1,158	106,406	1,874	138,134	1	50	3,511	294,201	100%

* Loan Data as of December 31, 2008. Rated area refers to either state or multi-state MA rating area.

** The evaluation period for Community Development Loans is from January 1, 2006 to September 21, 2009.

*** Deposit Data as of September 17, 2009. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

Table 2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE JANUARY 1, 2006 TO DECEMBER 31, 2008											Evaluation Period:				
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:															
Columbus/Norfolk AA	148	100%	NA	NA	2%	2%	69%	63%	29%	36%	NA	NA	NA	NA	NA

* Based on 2007 Peer Mortgage Data (Western)

** Home purchase loans originated and purchased in the MA/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 2000 Census information.

**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE JANUARY 1, 2006 TO DECEMBER 31, 2008											Evaluation Period:				
MA/Assessment Area:	Total Home Mortgage Refinance 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	Overa ll	Low	Mod	Mid	Upp
Full Review:															
Columbus/Norfolk AA	148	100%	NA	NA	2%	2%	69%	62%	29%	37%	NA	NA	NA	NA	NA

* Based on 2007 Peer Mortgage Data (Western)

** Home refinance loans originated and purchased in the MA/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 2000 Census information.

**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 6. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES											Evaluation Period: JANUARY 1, 2006 TO DECEMBER 31, 2008				
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 Business***	% BANK Loans	% of Business***	% BANK Loans	% of Business***	% BANK Loans	% of Business***	% BANK Loans	Overall	Low	Mod	Mid	Upp
Full Review:															
Columbus/Norfolk AA	1,158	100%	NA	NA	4%	6%	73%	63%	23%	31%	12%	NA	21%	12%	14%

* Based on 2008 Peer Small Business Data -- US and PR

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

*** Source Data - Dun and Bradstreet (2008).

Table 7. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL LOANS TO FARMS											Evaluation Period: JANUARY				
1, 2006 TO DECEMBER 31, 2008															
MA/Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography				
	#	% of Total**	% of Farms**	% BANK Loans	% of Farms*	% BANK Loans	% of Farms*	% BANK Loans	% of Farms**	% BANK Loans	Overall	Low	Mod	Mid	Upp
Full Review:															
Columbus/Norfolk AA	1,874	100%	NA	NA	0.8%	0.4%	88%	81%	11%	19%	27%	NA	83%	25%	37%

* Based on 2008 Peer Small Business Data -- US and PR

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

*** Source Data - Dun and Bradstreet (2008).

Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE JANUARY 1, 2006 TO DECEMBER 31, 2008											Evaluation Period:				
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share				
	#	% of Total**	% Families***	% BANK Loans****	% Families ¹	% BANK Loans**	% Families*	% BANK Loans****	% Families*	% BANK Loans****	Overall	Low	Mod	Mid	Upp
Full Review:															
Columbus/Norfolk AA	330	100%	14%	11%	18%	31%	24%	29%	44%	29%	NA	NA	NA	NA	NA

* Based on 2007 Peer Mortgage Data (Western)

** As a percentage of loans with borrower income information available. No information was available for 2% of loans originated and purchased by bank.

*** Percentage of Families is based on the 2000 Census information.

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

¹ Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 10. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE JANUARY 1, 2006 TO DECEMBER 31, 2008												Evaluation Period:				
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share*					
	#	% of Total**	% Families***	% BANK Loans****	% Families ²	% BANK Loans****	% Families* **	% BANK Loans****	% Families* **	% BANK Loans**	Overall	Low	Mod	Mid	Upp	
Full Review:																
Columbus/Norfolk AA	148	100%	14%	11%	18%	16%	24%	26%	44%	47%	NA	NA	NA	NA	NA	

* Based on 2007 Peer Mortgage Data (Western)

** As a percentage of loans with borrower income information available. No information was available for 5% of loans originated and purchased by bank.

*** Percentage of Families is based on the 2000 Census information.

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

² Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 11. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES JANUARY 1, 2006 TO DECEMBER 31, 2008								Evaluation Period:	
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:									
Columbus/Norfolk AA	1,158	100%	50%	64%	78%	14%	8%	12%	14%

* Based on 2008 Peer Small Business Data -- US and PR

** Small loans to businesses originated and purchased in the MA/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 - 2008).

**** Small loans to businesses with revenues of \$1 million or less as a percentage of all loans reported as small loans to businesses. No information was available for 14% of small loans to businesses originated and purchased by the bank.

Table 12. Borrower Distribution of Small Loans to Farms

Borrower Distribution: SMALL LOANS TO FARMS JANUARY 1, 2006 TO DECEMBER 31, 2008							Evaluation Period:		
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:									
Columbus/Norfolk AA	1,874	100%	97%	87%	81%	13%	6%	27%	24%

* Based on 2008 Peer Small Business Data -- US and PR

** Small loans to farms originated and purchased in the MA/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 - 2008).

**** Small loans to farms with revenues of \$1 million or less as a percentage of all loans reported as small loans to farms. No information was available for 4% of small loans to farms originated and purchased by the bank.

Table 14. Qualified Investments

QUALIFIED INVESTMENTS JANUARY 1, 2006 TO SEPTEMBER 21, 2009								Evaluation Period:	
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:									
Columbus/Norfolk AA	0	0	24	147	24	147	34%	0	0
Statewide Investment with Potential to Benefit AA	1	250	3	39	4	289	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.

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

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS													Evaluation Period: JANUARY				
1, 2006 TO DECEMBER 31, 2008																	
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:																	
Columbus/Norfolk AA	100%	4	100%	NA	0%	75%	25%	0	0	0	0	0	0	NA	4%	68%	28%