



LARGE BANK

Comptroller of the Currency
Administrator of National Banks

Washington, DC 20219

Public Disclosure

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Community Reinvestment Act Performance Evaluation

**First National Bank
Charter Number: 3496**

**201 North Dewey
North Platte, NE 69101**

Office of the Comptroller of the Currency

**Mid-size Banks
440 South LaSalle Street, Suite 2700
Chicago, IL 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 **Outstanding**.

The following table indicates the performance level of **First National Bank** with respect to the Lending, Investment, and Service Tests:

Performance Levels	First National Bank Performance Tests		
	Lending Test*	Investment Test	Service Test
Outstanding	X		
High Satisfactory		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 levels reflected an excellent responsiveness by FNB to the credit needs of the bank’s assessment area (AA).
- The geographic distribution of FNB’s reported loans reflected good penetration throughout AA geographies.
- The bank achieved an excellent dispersion of loans to businesses and farms of different sizes and an adequate dispersion of loans among borrowers of different income levels.
- The bank provided an excellent volume of community development (CD) loans that had a positive impact on the lending test. Qualified CD loans totaled nearly \$4.5 million.
- FNB’s volume of qualified investments was good. During the evaluation period, FNB made \$455,000 in qualified investments.
- The bank’s service delivery systems were accessible to geographies and individuals of different income levels throughout the AA.
- FNB was a leader in providing CD services in its 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.

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 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 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

First National Bank (FNB) is a full-service financial institution headquartered in North Platte, Nebraska. FNB offers a full range of credit products within its AA including real estate, agricultural, commercial, and consumer loans.

For purposes of CRA evaluation, FNB is an intrastate bank with offices located in Nebraska only. The bank is an intermediate small bank that opted to be examined as a large bank for CRA. As of March 1, 2006, the bank's main office and one branch office were located in North Platte, in west-central Nebraska. The bank had four additional branches located in the western Nebraska communities of Alliance, Chadron, Gering, and Scottsbluff. None of the offices were located in a Metropolitan Statistical Area (MSA). The bank had 15 automated teller machines (ATMs) disbursed throughout the assessment area. The bank had no subsidiaries and no merger or acquisition activities during the evaluation period.

First National of Nebraska, Inc. (FNNI) owns 99.6 percent of the bank stock. FNNI is a \$13 billion multibank holding company headquartered in Omaha, Nebraska. In addition to FNB, FNNI owns nine national banks and two state-chartered banks located primarily in Nebraska and adjacent states in the Midwest.

As of December 31, 2005, FNB had \$461 million in total assets and Tier 1 capital of \$32 million. The bank's loan-to-deposit ratio on that date was 86 percent and net loans represented 74 percent of total assets. By dollar amount, the loan portfolio consisted of the following types of credit: 24 percent agricultural (including agricultural real estate); 25 percent commercial (including commercial real estate); 11 percent consumer; 11 percent residential real estate; 4 percent other real estate; and 1 percent other. The remaining 24 percent of the bank's portfolio was comprised of credit card participations purchased from an affiliate bank. FNB sold a significant volume of its home purchase and refinance mortgage loans on the secondary market. The loan-to-deposit ratio and loan portfolio mix do not reflect these loans. From January 1, 2002 to December 31, 2005, the bank originated and sold 1,326 residential mortgage loans totaling \$124 million. There were no known legal, financial, or other impediments that hampered FNB's ability to help meet the credit needs of its AA.

The bank previously attained an "Outstanding" rating at the last CRA examination dated February 4, 2002.

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 from January 1, 2002 to December 31, 2005. We conducted two separate analyses to assess geographic distribution and borrower distribution for these loan products. Loans originated from January 1, 2002 to December 31, 2002 were compared against 1990 Census demographics, and loans originated from January 1, 2003 to December 31, 2005 were compared against 2000 Census demographics.

The evaluation period for community development loans, the investment test, and the service test was from February 5, 2002 to March 1, 2006.

While credit card loan participations comprised a large 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's AA. When analyzing lending activity, we took into consideration whether credit card loan participations were purchased to the detriment of borrowers within the AA.

Data Integrity

We tested the accuracy of the bank's publicly filed information for small loans to businesses and farms as part of the CRA evaluation. We found the level of accuracy of the collected data to be satisfactory.

The bank was not required to collect and report data on home mortgage loans under the Home Mortgage Disclosure Act (HMDA). FNB did collect and maintain some data on home mortgage loans internally. We tested the accuracy of this data to determine whether we could use it for CRA analysis. We found that the collected data did not specifically identify loan type. For this examination, we used random samples of home purchase, home improvement, and home mortgage refinance loans to evaluate the bank's lending performance.

We also reviewed CD loans, investments, and services submitted by FNB to ensure they met the regulatory definition for CD. We excluded from this evaluation a few items submitted for consideration because they did not meet the definition or purpose of CD.

Selection of Areas for Full-Scope Review

FNB has only one AA. We performed a full-scope review of this area. Refer to the table in Appendix A for more information.

Ratings

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

In determining conclusions for the lending test, we weighted loan products to be reflective of FNB's loan volume by product type during the evaluation period. The five loan products we evaluated were small loans to businesses, small loans to farms, home purchase loans, home improvement loans, and home mortgage refinance loans. We weighted small loans to farms and small loans to businesses more heavily than other reported loan products as they represented 36 percent and 29 percent of the total number of originated loans during the evaluation period. Home purchase and home mortgage refinance loans combined represented 32 percent of the total volume of loans. Home improvement loans represented 3 percent of the total loan volume.

The CRA regulation also gives consideration to a bank's multi-family mortgage lending. We did not include multifamily lending in our analysis as FNB's loan volume for this product was insignificant. As of December 31, 2005, multifamily mortgage loans represented less than 1 percent of the bank's total loans.

Other

We performed two community contacts during the examination. Organizations contacted included economic development organizations and housing organizations. The organizations focused on affordable housing for low- and moderate-income (LMI) individuals, community and economic development, and local business development and expansion.

The contacts stated the primary needs in the AA related to small business lending, particularly loans for start-up businesses. To a lesser extent, contacts also noted a continuing need for flexible mortgage loan programs targeted to LMI, including low down payment requirements and closing cost assistance. Contacts noted a shortage of homes in the AA that were affordable to LMI, and noted a need for rehabilitation of older homes. We considered these needs in our evaluation of the bank's performance under the lending, investment, and service tests. Refer to the Market Profile in Appendix B of this evaluation for more information.

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 "Outstanding." This is based on a full-scope review of the bank's AA.

Lending Activity

Refer to Table 1 Lending Volume in Appendix C for the facts and data used to evaluate the bank's lending activity. Table 1 Other Products was removed from Appendix C as the bank chose not to provide optional data on other loan products.

FNB's lending activity in the AA was excellent. The bank's volume of small loans to farms and loans to purchase or refinance residential real estate were the primary factors supporting this conclusion.

To analyze FNB's lending activity, we compared the bank's deposit market share with its lending market share for small loans to farms and businesses. In comparing the market share percentages, we took into consideration that deposit market share information included only deposit-taking financial institutions that had one or more branches located in the AA. Lending market share information included lenders who did not have deposit-taking facilities in FNB's AA, but reported one or more business or farm loans in the area in 2004. Deposit market share data included all deposit-taking financial institutions regardless of their size. Lending market share data included primarily larger banks. During 2004, CRA reporting requirements for business and farm loans included only banks with total assets exceeding \$250 million or more, or banks of any size that were part of a holding company with total assets of \$1 billion or more. Due to the different populations of financial institutions included in the data, we did not expect FNB's deposit market share and lending market share percentages to match in order for performance to be considered good.

Based on FDIC deposit market share data as of June 30, 2005, there were 23 deposit-taking financial institutions with one or more banking offices in the bank's AA. FNB was the largest of these institutions with a 23 percent deposit market share.

The bank's volume of small loans to farms was excellent. There were 29 lenders reporting one or more small farm loans in the AA in 2004. FNB ranked first among these lenders with a 26 percent market share.

FNB's volume of small loans to businesses was good. There were 46 lenders reporting one or more small business loans in the AA in 2004. FNB ranked third among these lenders with an 11 percent market share.

Similar comparisons were difficult to make for home mortgage loans because comprehensive market share data is not readily available in nonmetropolitan areas. Also, FNB was not required to collect and report data on home mortgage loans under the Home Mortgage Disclosure Act (HMDA). To analyze home mortgage lending volume, we compared bank-generated reports on home mortgage loan volume to aggregate HMDA data from the bank's AA for 2004.

Bank reports showed FNB originated an excellent volume of first purchase and home mortgage refinance loans within its AA. For 2004, FNB originated 346 loans to purchase or refinance the purchase of a residential dwelling. Bank reports did not separate first purchase from refinance loans. In comparison, aggregate HMDA data for 2004 showed the highest volume of first purchase or refinance loans originated by a financial institution within FNB's AA was 299 loans. Competition for these loans was very strong as HMDA data noted over 135 lenders reporting one or more first purchase loans, and 174 lenders reporting one or more home mortgage refinance loans in 2004.

The bank originated a good volume of home improvement loans within its AA. Bank reports showed FNB originated 57 home improvement loans in its AA in 2004. For 2004, HMDA data showed the two highest volumes of home improvement loans originated by financial institutions within the FNB AA were 75 loans and 40 loans respectively. Aggregate data showed 47 lenders reporting one or more home improvement loan in the FNB AA in 2004.

FNB addressed local credit needs before purchasing credit card participations. It is FNNI policy for all affiliate banks to first help meet credit needs of their local AAs. Then, FNNI will make available credit card participations for affiliate banks to purchase with their excess liquidity. During the CRA evaluation period, FNB demonstrated their commitment to AA lending needs as loan volume other than credit cards grew \$68 million (an increase of 36 percent). Meanwhile, the bank's volume of credit card participations decreased from \$163 million to \$90 million (a decrease of 45 percent).

Distribution of Loans by Income Level of the Geography

The geographic distribution of FNB's reported loans reflected good penetration throughout the AA. Performance was good or excellent for all loan products reviewed except home mortgage loans. We identified no conspicuous gaps in the geographic distribution of loans. FNB originated a high percentage of its reported loans within its AA.

Home Mortgage Loans

Refer to Tables 2, 3, 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.

The bank achieved an excellent geographic distribution of home purchase loans for the 2002 evaluation period. The bank achieved an adequate geographic distribution of home mortgage refinance and home improvement loans during the 2002 evaluation period. For home purchase loans, the bank's percentage of loans in moderate-income geographies exceeded the percentage of owner-occupied homes located in these geographies. For home mortgage refinance and home improvement loans, the bank's percentage of loans in moderate-income geographies was below the percentage of owner-occupied homes located in these geographies.

The bank's geographic distribution of home purchase, home mortgage refinance, and home improvement loans was weaker during the 2003 – 2005 evaluation period. This weaker performance can be explained by demographic changes. At the 1990 Census, the AA contained six moderate-income geographies, half of which were located in towns where FNB had a branch presence. 2000 Census information reveals four moderate-income geographies in FNB's AA. Three of these geographies consist of remotely located counties where FNB does not have a branch location. The towns in these geographies are located between 33 and 95 miles away from the nearest branch of FNB. There are,

however, four competing banks with a branch presence within these geographies. Given the remote location of the majority of the moderate-income geographies and the existence of several competitors in closer proximity to these geographies than FNB, the bank's level of lending in these geographies is not unreasonable.

A geographic analysis of multifamily loans was not meaningful because the bank originated a minimal number of these loans. Table 5 Geographic Distribution of Multifamily Loans was removed from Appendix C.

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.

FNB's geographic distribution of small loans to businesses in the AA was good. For the 2002 evaluation period, the bank's percentage of loans made in moderate-income geographies exceeded the percentage of businesses that were located in these geographies. For the 2003 – 2005 evaluation period, the bank's percentage of loans made in moderate-income geographies was below the percentage of businesses in the AA that were located in those geographies. In concluding performance was good, we took into consideration the fact that, for the 2003 – 2005 evaluation period, 53 percent of the businesses in moderate-income geographies were in communities that ranged from approximately 33 to 95 miles from the nearest FNB branch. In this analysis, more weight was given to the 2003 – 2005 evaluation period, as it accounted for 76% of the originations of small loans to business over the total evaluation period.

Market share performance for the 2002 evaluation period was good as FNB's market share for small loans to businesses in moderate-income geographies was above the bank's overall market share for all small loans to businesses throughout the AA. For the 2003 – 2005 evaluation period, market share performance was adequate as FNB's market share for small loans to businesses in moderate-income geographies was below the bank's overall market share for all small loans to businesses throughout the AA. In concluding performance was good, we gave less consideration the bank's market share performance, as the majority of banks competing in FNB's AA were not required to collect and report data on 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 distribution of small loans to farms by geography income level was excellent. For the 2002 evaluation period, FNB's percentage of small loans to farms in moderate-income BNAs was somewhat below the percentage of farms in the AA that were located in those geographies. However, for the 2003 – 2005 evaluation period, FNB's percentage of small loans to farms in moderate-income BNAs was excellent, as it exceeded the percentage of farms in the AA that were located in these geographies. In this analysis, more weight was given to the 2003 – 2005 evaluation period, as it accounted for 75% of the originations of small loans to farms over the total evaluation period.

Market share performance was adequate, as FNB's market share for small loans to farms in moderate-income geographies approximated the bank's overall market share for small loans to farms in

the AA for the 2002 evaluation period, and was below the bank’s overall market share for small loans to farms in the AA for the 2003 – 2005 evaluation period. In concluding performance was excellent, we gave less consideration to the bank’s market share performance, as the majority of bank’s competing in FNB’s AA were not required to collect and report data on small loans to farms.

Lending Gap Analysis

We reviewed maps and reports of FNB’s home mortgage loans, small loans to businesses, and small loans to farms in the AA to identify gaps in the geographic distribution of these loans. We did not identify any conspicuous gaps in lending. During the evaluation period, FNB originated one or more home mortgage, small business, or small farm loan in every census tract in the AA.

Inside/Outside Ratio

A high percentage of FNB’s reported loans were within its AA. By number of reported loans, the bank originated 89 percent of home purchase loans, 95 percent of home improvement loans, 96 percent of home mortgage refinance loans, 88 percent of small loans to businesses, and 65 percent of small loans to farms within its AA. For all loan products combined, FNB originated 74 percent of the number of reported loans within the AA.

Distribution of Loans by Income Level of the Borrower

The bank’s distribution of loans by borrower income level was excellent. Performance was excellent for small loans to farms and small loans to businesses. Performance was good for home purchase loans.

When evaluating the borrower distribution of the bank’s home mortgage lending throughout the AA, we took into consideration the significant percentage of families throughout the AA living below the poverty level. According to the 2000 U.S. Census, 9 percent of families in FNB’s AA were below the poverty level and had less than \$14,490 per year in annual income. These families would have a more difficult time qualifying for residential mortgage loans due to their limited income. Also, rising housing costs made it difficult for low-income families to afford a home. The 2000 median housing value for the AA was \$68,864. Updated published data showed this number increased significantly throughout the AA. For example, the average price of single-family homes sold in North Platte in 2004 and 2005 was over \$101,000. In Scottsbluff, the average price of single-family homes sold in 2004 and 2005 was \$96,000.

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.

The distribution of FNB’s home purchase loans by borrower income level was good. For the 2002 evaluation period, FNB’s percentage of lending to low-income borrowers significantly exceeded the percentage of families in the AA that were low-income. Lending to moderate-income borrowers was somewhat below the percentage of families in the AA that were moderate-income. For the 2003 – 2005 evaluation period, lending to low-income borrowers was below the percentage of families in the AA that were low-income, while lending to moderate-income borrowers exceeded the percentage of families in the AA that were moderate-income.

FNB achieved an adequate distribution of home improvement and home mortgage refinance loans to borrowers of different income levels. For both products, the percentage of the bank's loans to LMI borrowers was generally below the percentage of families in the AA that were LMI. However, the bank's percentage of home improvement loans to moderate-income borrowers significantly exceeded the percentage of families in the AA that were moderate-income during the 2002 evaluation period. Performance was considered adequate given the significant percentage of families in the AA that were below poverty level and the rising cost of housing.

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 loans to businesses of different sizes was excellent. For both the 2002 and 2003 – 2005 evaluation periods, FNB's percentage of reported loans to businesses with gross annual revenues of \$1 million or less exceeded the percentage of businesses in the AA with revenues of \$1 million or less. Performance was also excellent when looking at market share data. For both the 2002 and 2003 – 2005 evaluation periods, FNB's market share of loans to businesses with revenues of \$1 million or less significantly exceeded the bank's overall market share of small loans to businesses.

Another indication of the bank's excellent performance was the percentage of loans originated in amounts of \$100,000 or less. Loan size often loosely correlates to the size of the business. During the evaluation period, FNB originated 84 percent of its reported loans to businesses in amounts of \$100,000 or less, regardless of the size of the business.

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.

FNB's distribution of loans to farms of different sizes was excellent. For both the 2002 and 2003 – 2005 evaluation periods, the bank's percentage of reported loans to farms with gross annual revenues of \$1 million or less exceeded the percentage of farms in the AA with revenues of \$1 million or less. Market share performance was also excellent. For the 2002 evaluation period, FNB's market share of loans to farms with revenues of \$1 million or less equaled the bank's overall market share of small loans to farms. For the 2003 – 2005 evaluation period, FNB's market share of loans to farms with revenues of \$1 million or less was 30 percent. This exceeded the bank's overall market share of small loans to farms, which was 26 percent.

Another indication of the bank's excellent performance was the percentage of loans originated in amounts of \$100,000 or less. Loan size often loosely correlates to the size of the farm. FNB originated 84% and 82% of its reported loans to farms in amounts of \$100,000 or less during the 2002 and 2003 – 2005 evaluation periods, respectively.

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. This table includes all CD loans, including multifamily loans that also qualify as CD loans.

CD lending had a positive impact on lending test conclusions. This was based primarily on the bank's excellent volume of CD loans originated throughout the AA. FNB originated 21 CD loans totaling nearly \$4.5 million during the evaluation period. This dollar volume represented 14 percent of Tier 1 capital. We did not consider any of the loans to be complex. The loans were responsive to community needs as 94 percent of the total dollar amount of CD loans provided financing for affordable housing targeted to LMI and for small businesses. The following summarizes some of the bank's qualified CD loans:

- Nearly \$3 million to finance the construction and permanent financing of a 56-unit housing complex for LMI in North Platte.
- \$530,000 to a manufacturing facility in Alliance, Nebraska. The bank's loan, combined with a Community Development Block Grant from the Nebraska Department of Economic Development helped the company construct additional facilities that supported the creation of jobs targeted to LMI area residents.
- \$248,000 to various nonprofit providers of services targeted to LMI in the North Platte area. Services provided included job training, emergency assistance, and day care. Loan proceeds were used for operating expenses.

Product Innovation and Flexibility

During the evaluation period, FNB participated in several flexible lending programs to help meet the credit needs of LMI borrowers in the AA. The bank's participation in these programs received positive consideration in the analysis of lending test performance.

FNB actively participated in several housing loan programs sponsored by the federal government that primarily serve LMI applicants. These loan programs generally had reduced down payment requirements, lower interest rates, and more liberal underwriting criteria than conventional loans. From 2002 through 2005, the bank originated 20 loans totaling \$1.7 million under the Federal Housing Authority (FHA) loan programs, 50 loans totaling \$4.4 million under Veteran's Administration (VA) loan programs, and 99 loans totaling \$6 million under the U.S. Department of Agriculture's Rural Development loan program.

The bank also participated in loan programs offered through the Nebraska Investment Finance Authority (NIFA). NIFA's loan programs provided financing to qualified LMI borrowers throughout Nebraska. The programs included reduced interest rates and lower down payment requirements than traditional mortgage loan programs. From 2002 through 2005, FNB originated 61 NIFA loans totaling \$3.3 million.

INVESTMENT TEST

Conclusions for Area Receiving a Full-Scope Review

The bank's performance under the investment test is rated "High Satisfactory." This is based on a full-scope review of the bank's AA.

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

The bank's performance under the investment test was good. During the evaluation period, FNB made \$455,000 in qualified investments. The bank's investments were responsive to identified needs in the AA. Investments consisted of a \$250,000 investment in an equity fund that promotes affordable housing and economic development on a regional basis that includes the bank's AA, as well as \$205,000 in donations to organizations that provide affordable housing, promote economic development, and provide community services throughout the AA.

The bank's volume of qualified investments was good given the very limited level of CD opportunities in the AA. Community contacts were not aware of any CD investment securities directly benefiting FNB's AA that were available for purchase during the evaluation period. A review of current CRA performance evaluations of similarly sized competing banks operating in the AA similarly revealed limited opportunities for CD investments in the AA. Refer to the market profile in Appendix B for further information on the limited investment opportunities in the AA.

FNB demonstrated a good responsiveness to identified needs in the AA. Qualified CD organizations receiving contributions from the bank provided a variety of services to the community. These included nonprofit developers of affordable housing for LMI; organizations promoting economic development by assisting small businesses; and entities providing various services to LMI, including emergency shelter, food, education, job training, and day care.

The bank's qualified investments included a prior period investment in a community development corporation (CDC) subsidiary of an affiliate bank. The bank submitted several projects to the CDC for funding consideration during the evaluation period, but none of the projects were approved. The bank then made several direct loans to fund these projects, and received credit for the loans under the Community Development Lending portion of the Lending Test.

SERVICE TEST

Conclusions for Area Receiving a Full-Scope Review

The bank's performance under the Service Test is rated "High Satisfactory." This is based on a full-scope review of the bank's AA.

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.

FNB's service delivery systems were accessible to geographies and individuals of different income levels throughout its AA. During 2002, the percentage of the bank's branches that were located in moderate-income geographies was nearly three times the percentage of the population in the AA that resided in moderate-income areas. Due to demographic changes revealed in the 2000 U.S. Census, the moderate-income tract containing two of the bank's branches was reclassified as a middle-income tract. As a result, from 2003 through 2006 the bank did not have any branches in moderate-income tracts. However, only 7% of AA population resided in the moderate-income tracts during this portion of the

evaluation period. The bank maintained an office in each county in the AA with a population exceeding 5,200. The average population of the counties in the AA where the bank did not have a branch was less than 1,400 persons per county, according to 2005 U.S. Census Bureau estimates.

The bank closed one branch in a middle-income tract during the evaluation period. This action did not have a significant negative impact on bank customers, as the bank still maintains its headquarters banking location within this tract.

The bank's hours and services offered throughout the AA were good. Hours and services did not vary in a way that inconvenienced its AA, in particular moderate-income geographies or LMI individuals. FNB supplemented its banking hours and services offered Monday through Friday with Saturday hours at all branches except the Gering branch (located in a middle-income tract). In addition, the bank offered Sunday afternoon hours at the North Platte – South branch. Office hours and services, including the availability of loan officers for all loan products, were comparable among locations with one exception. Two branches did not have lending personnel onsite (Gering and North Platte – South), but loan officers were available by appointment. The Gering branch is located in a middle-income tract, while the North Platte – South branch is located in an upper-income tract.

The bank's ATM network offered a reasonably effective alternative system for delivering retail banking services to LMI individuals. FNB operated 15 ATMs throughout the AA. By geography income level, 67 percent were in middle-income tracts, and 33 percent were in upper-income tracts. Refer to Table 15 in Appendix C for the distribution of population by geography income level.

FNB also offered other alternative delivery systems. These included banking by telephone, Internet, and mail services. Banking by telephone services were available in English or Spanish 24 hours per day via a toll-free phone number. The service allowed customers to access checking and savings balances, transfer funds, and obtain loan information. Internet banking allowed customers to access account balances, transfer funds, download account transaction information, and pay bills. The bank also employs bilingual employees at its Scottsbluff and Gering branches. No information was available on the effectiveness of these services in reaching moderate-income geographies or LMI individuals. We did not place significant weight on these systems when drawing conclusions under the service test.

Community Development Services

FNB was a leader in providing CD services. This was based on the number of organizations to which FNB provided CD services, the responsiveness of the services to the needs of the community, and the leadership roles bank representatives assumed with these organizations. In total, bank personnel provided services to over 20 organizations serving the AA, donating almost 3,000 hours to these activities. Organizations assisted were involved in a variety of CD activities including affordable housing, community services targeted to LMI individuals, and economic development activities targeted to small businesses. Bank representatives often provided significant leadership to these organizations, serving as executive officers, board members, and members of finance and executive committees. In these roles, FNB employees provided vital services including participating in planning, budgeting, fundraising, loan review, and other managerial and administrative decisions.

The following are examples of community development services FNB representatives provided in the AA during the evaluation period:

- Several bank employees served in leadership roles for three local chapters of Habitat for Humanity.

On an ongoing basis, employees provided leadership to these organizations by serving as directors and executive officers of the organizations. They also served on resource development, fund raising, and family selection committees. In these roles, bank employees assisted in selecting families for housing projects and guided the families through the home loan application and approval process.

- FNB employees provided significant leadership to a nonprofit organization that provided community services targeted to LMI individuals and families. Services provided by the organization included operating the only 24-hour homeless shelter in western Nebraska. Bank employees provided leadership to the organization by assisting with financial reviews and the budgeting process, developing and implementing a marketing plan, and coordinating fund raising events that raised over \$90,000 for a new facility. An FNB employee also served as a director, executive officer, and chair of the finance committee.
- Senior bank officers worked with the Nebraska Department of Economic Development and a local nonprofit organization dedicated to providing affordable housing to develop a new affordable home loan program for LMI borrowers in the North Platte area. The two components of the loan program allow LMI borrowers to purchase rehabilitated housing, or to finance improvements to housing that they already own. The bank has committed \$290,000 to finance loans to LMI borrowers under these programs at reduced interest rates and at favorable terms.
- FNB officers served as instructors at ongoing seminars for LMI first-time homebuyers and at financial counseling seminars for LMI graduates of vocational training programs. Topics covered included mortgage loan processing and underwriting procedures, prudent management of personal finances, and underwriting procedures for consumer loans.

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): 1/1/02 to 12/31/05 Investment and Service Tests and CD Loans: 2/5/02 to 3/1/06	
Financial Institution	Products Reviewed	
First National Bank (FNB) North Platte, NE	Home mortgage loans, small loans to businesses, small loans to farms, community development loans	
Affiliate(s)	Affiliate Relationship	Products Reviewed
N/A – no affiliate products reviewed		
List of Assessment Areas and Type of Examination		
Assessment Area	Type of Exam	Other Information
FNB AA	Full-Scope	Rural AA consisting of the following counties in Nebraska: Arthur, Box Butte, Dawes, Garden, Grant, Hooker, Lincoln, Logan, McPherson, Morrill, Scotts Bluff, and Thomas.

Appendix B: Market Profiles for Full-Scope Areas

FNB North Platte AA

Demographic Information for Full-Scope Area: FNB North Platte AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	32	0%	13%	75%	12%	0%
Population by Geography	104,543	0%	7%	78%	15%	0%
Owner-Occupied Housing by Geography	28,565	0%	6%	78%	16%	0%
Businesses by Geography	8,301	0%	7%	76%	17%	0%
Farms by Geography	1,514	0%	7%	76%	17%	0%
Family Distribution by Income Level	28,519	20%	18%	23%	39%	0%
Distribution of Low- and Moderate-Income Families throughout AA Geographies	10,782	0%	11%	80%	9%	0%
Median Family Income	= \$41,920					
HUD Adjusted Median Family Income for 2005	= \$49,750					
Households Below the Poverty Level	= 12%					
					Median Housing Value = \$68,864	
					Unemployment Rate = 2.4%	

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2000 U.S. Census and 2005 HUD updated MFI.

FNB designated the following contiguous counties in western Nebraska as its AA: Arthur, Box Butte, Dawes, Garden, Grant, Hooker, Lincoln, Logan, McPherson, Morrill, Scotts Bluff, and Thomas. The bank's head office, five branches, and all deposit-taking ATMs were located within the AA. FNB chose the 12-county area as its AA as this was where the majority of the bank's lending and banking services were available during the evaluation period.

The AA was very large as it contained over 13,000 square miles. This was comparable to the States of Connecticut, Massachusetts, and Rhode Island, combined. FNB's AA was also predominantly rural and very sparsely populated, with an average of eight persons per square mile. In counties where FNB did not have a branch facility, the population averaged less than two persons per square mile.

The bank's deposits in the AA totaled approximately \$395 million as of June 30, 2005. Based on FDIC deposit market share information as of that date, this ranked FNB as the largest deposit-taking financial institution in the AA with a 23 percent market share. FNB was considerably larger than the second largest deposit-taking financial institution, which had \$215 million in deposits and a 12 percent market share. Six additional financial institutions reported deposits in excess of \$100 million and had market shares ranging from 6 percent to 9 percent.

FNB operated in a competitive environment. According to FDIC deposit market share data, there were 25 deposit-taking financial institutions operating in the bank's AA as of June 30, 2005 with a combined 65 banking offices. Primary financial institution competitors included Platte Valley National Bank in Scottsbluff, Wells Fargo Bank Nebraska, N.A. in Alliance and North Platte, First State Bank in Scottsbluff, Valley Bank and Trust Company in Scottsbluff, U.S. Bank, N.A. in Scottsbluff, and NebraskaLand National Bank in North Platte. Several mortgage companies provided significant competition for home mortgage loans.

The agricultural economy was strained during the evaluation period, due to prolonged drought throughout most of the AA. Agriculture and related industries dominated the AA; however, there was some employment diversification. Major employers in the AA included Union Pacific Railroad in North Platte, Burlington Northern Railroad in Alliance, and regional medical centers in Scottsbluff and North Platte. By county within FNB's AA, the 2005 average annual unemployment rate ranged from 2.3 percent in McPherson County to 5.0 percent in Thomas County. This range was comparable to the Nebraska 2005 average unemployment rate of 3.5 percent.

According to community contacts, the primary credit needs in the AA were for small business loans, particularly capital to finance new businesses. To a lesser extent, contacts noted a need for flexible mortgage loan programs targeted to LMI persons, including low down payment requirements and closing cost assistance, and rehabilitation loans for older homes. Contacts also noted a lack of housing stock that was affordable for LMI.

Limited opportunities existed to facilitate activities to address unmet credit and community development needs in the AA. Contacts were unable to identify any qualified investment opportunities available during the evaluation period other than regional or statewide bond issuances, low-income housing tax credits, and contributions to organizations providing CD services within the AA.

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. 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 in the MA/Assessment Area column and record the corresponding numbers and amounts in the “Community Development Loans” column with the appropriate caption, such as: “Statewide/Regional,” “Statewide/Regional with potential benefit to one or more AAs” or “Out of Assessment Area.” “Out of Assessment Area” is used ONLY if the bank has otherwise adequately met the CD lending needs of its assessment area.
- 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 in the MA/Assessment Area column and record the corresponding numbers and amounts in the “Qualified Investments” column with the appropriate caption, such as: “Statewide/Regional,” “Statewide/Regional with potential benefit to one or more AAs” or “Out of Assessment Area.” “Out of the Assessment Area” is used ONLY if the bank has otherwise adequately met the qualified investment needs of its assessment area.

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		Geography: Nebraska						Evaluation Period: January 1, 2002 to December 31, 2005				
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:												
FNB North Platte AA	100%	1,893	167,036	1,587	104,837	1,959	125,021	21	4,494	5,460	401,388	100%

* Loan Data as of December 31, 2005. Rated area refers to either the state or multi-state MA rating area.

** The evaluation period for Community Development Loans is February 5, 2002 to March 1, 2006.

*** Deposit Data as of June 30, 2005. 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		Geography: Nebraska					Evaluation Period: January 1, 2002 to December 31, 2002 January 1, 2003 to December 31, 2005								
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	Over all	Low	Mod	Mid	Upp
Full Review:															
2002 FNB AA	23	100%	NA	NA	8%	9%	68%	43%	24%	48%	NA	NA	NA	NA	NA
2003 – 2005 FNB AA	44	100%	NA	NA	6%	2%	78%	73%	16%	25%	NA	NA	NA	NA	NA

* Based on NA Peer Mortgage Data: NA Region

** 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 housing units in a particular geography divided by the number of owner occupied housing units in the area based on 1990 Census information for 2002 evaluation period, and based on 2000 Census information for 2003 - 2005 evaluation period.

Table 3. Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT			Geography: Nebraska				Evaluation Period: January 1, 2002 to December 31, 2002 January 1, 2003 to December 31, 2005					Market Share (%) by Geography				
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Over all	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:																
2002 FNB AA	20	100%	NA	NA	8%	5%	68%	75%	24%	20%	NA	NA	NA	NA	NA	
2003 – 2005 FNB AA	22	100%	NA	NA	6%	0%	78%	73%	16%	27%	NA	NA	NA	NA	NA	

* Based on NA Peer Mortgage Data: NA Region.

** 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.

*** Percentage of Owner Occupied Units is the number of owner occupied housing units in a particular geography divided by number of owner occupied housing units in the area based on 1990 Census information for 2002 evaluation period, and based on 2000 Census information for 2003 – 2005 evaluation period.

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE				Geography: Nebraska Evaluation Period: January 1, 2002 to December 31, 2002 January 1, 2003 to December 31, 2005											
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	Over all	Low	Mod	Mid	Upp
Full Review:															
2002 FNB AA	20	100%	NA	NA	8%	5%	68%	55%	24%	40%	NA	NA	NA	NA	NA
2003 – 2005 FNB AA	49	100%	NA	NA	6%	0%	78%	71%	16%	29%	NA	NA	NA	NA	NA

* Based on NA Peer Mortgage Data: NA Region.

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

*** Percentage of Owner Occupied Units is the number of owner occupied housing units in a particular geography divided by number of owner occupied housing units in the area based on 1990 Census information for 2002 evaluation period, and based on 2000 Census information for 2003 – 2005 evaluation period.

Table 6. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES		Geography: Nebraska		Evaluation Period: January 1, 2002 to December 31, 2002 January 1, 2003 to December 31, 2005											
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:															
2002 FNB AA	385	100%	NA	NA	13%	14%	66%	56%	21%	30%	12%	NA	15%	11%	18%
2003 – 2005 FNB AA	1,202	100%	NA	NA	7%	4%	76%	74%	17%	22%	11%	NA	9%	11%	16%

* Based on 2004 Peer Small Business Data: US.

** 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 2002 information for 2002 evaluation period, and Dun and Bradstreet 2005 information for 2003 – 2005 evaluation period.

Table 7. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL LOANS TO FARMS		Geography: Nebraska		Evaluation Period: January 1, 2002 to December 31, 2002 January 1, 2003 to December 31, 2005											
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:															
2002 FNB AA	481	100%	NA	NA	11%	8%	67%	67%	22%	25%	24%	NA	23%	22%	31%
2003 – 2005 FNB AA	1,478	100%	NA	NA	7%	8%	76%	79%	17%	13%	26%	NA	17%	28%	28%

* Based on 2004 Peer Small Business Data: US.

** 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 2002 information for 2002 evaluation period, and Dun and Bradstreet 2005 information for 2003 – 2005 evaluation period.

Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE		Geography: Nebraska					Evaluation Period: January 1, 2002 to December 31, 2002 January 1, 2003 to December 31, 2005								
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**	% BANK Loans****	% Families*	% BANK Loans****	% Families**	% BANK Loans****	Over all	Low	Mod	Mid	Upp
Full Review:															
2002 FNB AA	23	100%	19%	24%	19%	14%	22%	43%	40%	19%	NA	NA	NA	NA	NA
2003 – 2005 FNB AA	44	100%	20%	9%	18%	19%	23%	35%	39%	37%	NA	NA	NA	NA	NA

* Based on NA Peer Mortgage Data: NA Region.

** As a percentage of loans with borrower income information available. No information was available for 9% of loans originated and purchased by Bank in 2002 evaluation period, and for 2% of loans originated and purchased by Bank in 2003 - 2005 evaluation period.

*** Percentage of Families is based on 1990 Census information for 2002 evaluation period, and is based on 2000 Census information for 2003 - 2005 evaluation period.

**** 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.

Table 9. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT			Geography: Nebraska				Evaluation Period: January 1, 2002 to December 31, 2002 January 1, 2003 to December 31, 2005								
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share				
	#	% of Total**	% Families**	% BANK Loans****	% Families* **	% BANK Loans****	% Families* **	% BANK Loans****	% Families* **	% BANK Loans****	Over all	Low	Mod	Mid	Upp
Full Review:															
2002 FNB AA	20	100%	19%	5%	19%	35%	22%	30%	40%	30%	NA	NA	NA	NA	NA
2003 – 2005 FNB AA	22	100%	20%	9%	18%	5%	23%	41%	39%	45%	NA	NA	NA	NA	NA

* Based on NA Peer Mortgage Data: NA Region.

** As a percentage of loans with borrower income information available. No information was available for 0% of loans originated and purchased by Bank.

*** Percentage of Families is based on 1990 Census information for 2002 evaluation period, and based on 2000 Census information for 2003 - 2005 evaluation period.

**** 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.

Table 10. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE		Geography: Nebraska		Evaluation Period: January 1, 2002 to December 31, 2002 January 1, 2003 to December 31, 2005											
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* **	% BANK Loans****	% Families* **	% BANK Loans****	% Families* **	% BANK Loans****	Over all	Low	Mod	Mid	Upp
Full Review:															
2002 FNB AA	20	100%	19%	0%	19%	5%	22%	50%	40%	45%	NA	NA	NA	NA	NA
2003 – 2005 FNB AA	49	100%	20%	7%	18%	14%	23%	27%	39%	52%	NA	NA	NA	NA	NA

* Based on NA Peer Mortgage Data: NA Region.

** As a percentage of loans with borrower income information available. No information was available for 0% of loans originated and purchased by Bank in 2002 evaluation period, and for 10% of loans originated and purchased by Bank in 2003 - 2005 evaluation period.

*** Percentage of Families is based on 1990 Census information for 2002 evaluation period, and is based on 2000 Census information for 2003 - 2005 evaluation period.

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

Table 11. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES		Geography: Nebraska		Evaluation Period: January 1, 2002 to December 31, 2002 January 1, 2003 to December 31, 2005					
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:									
2002 FNB AA	385	100%	78%	85%	84%	10%	6%	12%	23%
2003 – 2005 FNB AA	1,202	100%	58%	80%	84%	11%	5%	11%	20%

* Based on 2004 Peer Small Business Data: US.

** 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 2002 for 2002 evaluation period; D&B 2005 for 2003 - 2005 evaluation period).

**** 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 1% and 5% of small loans to businesses originated and purchased by the Bank for the 2002 and 2003 - 2005 evaluation periods, respectively.

Table 12. Borrower Distribution of Small Loans to Farms

Borrower Distribution: SMALL LOANS TO FARMS		Geography: Nebraska		Evaluation Period: January 1, 2002 to December 31, 2002 January 1, 2003 to December 31, 2005					
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 \$500,000	All	Rev \$1 Million or Less
Full Review:									
2002 FNB AA	481	100%	94%	96%	84%	13%	3%	24%	24%
2003 – 2005 FNB AA	1,478	100%	93%	96%	82%	14%	4%	26%	30%

* Based on 2004 Peer Small Business Data: US.

** 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 2002 for 2002 evaluation period; D&B 2005 for 2003 – 2005 evaluation period).

**** 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 1% of small loans to farms originated and purchased by Bank in both the 2002 and 2003 - 2005 evaluation periods.

Table 14. Qualified Investments

QUALIFIED INVESTMENTS		Geography: Nebraska				Evaluation Period: February 5, 2002 to March 1, 2006			
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:									
FNB AA	1	747	39	205	40	952	79%	0	0
Statewide / Regional Area	0	0	1	250	1	250	21	0	0

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

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

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

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS Geography: Nebraska Evaluation Period: February 5, 2002 to December 31, 2002 January 1, 2003 to March 1, 2006																	
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:																	
2002 FNB AA	100%	7	100%	NA	29%	42%	29%	0	0	NA	NA	NA	NA	NA	10%	68%	22%
2003 – 2006 FNB AA	100%	6	100%	NA	0%	83%	17%	0	1	NA	0	-1	0	NA	7%	78%	15%