



PUBLIC DISCLOSURE

January 12, 2026

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

First Texoma National Bank
Charter Number 14005

220 West Main Street
Durant, Oklahoma 74701

Office of the Comptroller of the Currency

225 E. Carpenter Freeway
Suite 900
Irving, TX 75062

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

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Overall CRA Rating

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

The lending test is rated: Satisfactory.

The major factors that support this rating include:

- The bank's quarterly average loan-to-deposit (LTD) ratio is reasonable.
- A majority of loans were originated or purchased inside the bank's assessment areas (AA) and meet the standard for satisfactory performance.
- The geographic distribution of loans reflects excellent dispersion of loan originations throughout the AAs.
- The borrower distribution of loans reflects reasonable penetration of loans to commercial small businesses.

Loan-to-Deposit Ratio

Considering the bank's size, financial condition, and credit needs of the assessment areas, the bank's loan-to-deposit ratio was reasonable.

First Texoma National Bank's (FTNB) quarterly LTD ratio since the previous CRA Performance Evaluation (PE) averaged 73.8 percent. We compared the bank's LTD ratio to three similarly-situated banks in their market area. The aggregate average LTD ratio for the competing banks was 85.5 percent, with a low average of 79.2 percent and a high average of 93.6 percent.

Lending in Assessment Area

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

The bank originated 83.6 percent of its total loans inside the bank's AAs during the evaluation period. This analysis is performed at the bank, rather than the AA, level. This percentage does not include extensions of credit by affiliates that may be considered under the other performance criteria.

Loan Category	Number of Loans				Total #	Dollar Amount of Loans \$(000s)				Total \$(000s)
	Inside		Outside			Inside		Outside		
	#	%	#	%		\$	%	\$	%	
Home Mortgage	143	84.1	27	15.9	170	20,179	75.6	6,512	24.4	26,691
Small Business	41	82.0	9	18.0	50	5,935	76.4	1,829	23.6	7,764
Total	184	83.6	36	16.4	220	26,114	75.8	8,341	24.2	34,455

Source: 1/1/2022 - 12/31/2024 Bank Data.
Due to rounding, totals may not equal 100.0%

FTNB's lending in its AAs meets the standard for satisfactory performance. Our analysis included 170 home mortgage loans and 50 small business loans originated or renewed in 2022, 2023, and 2024. The bank originated 84.1 percent of home mortgages inside their AAs and 75.6 percent by dollar amount. The bank also originated 82.0 percent by number and 76.4 percent by dollar of small business loans inside their AAs.

Description of Institution

First Texoma National Bank is a multi-state community bank, headquartered in Durant, Oklahoma. There have been no mergers nor acquisitions since the previous CRA examination in 2020. The bank's mission is to build and sustain long-term generational relationships with their clients, community, employees, and shareholders.

FTNB operates five full-service banking centers located in southeast Oklahoma and north Texas:

- 220 West Main, Durant, Oklahoma 74701 (Main Office) – Census Tract (CT) 7963.00 - Moderate income – Bryan County
- 1825 West University, Durant, Oklahoma 74701 - CT 7961.01 – Middle income – Bryan County
- 420 West Main, Durant, Oklahoma 74701 - CT 7963.00 – Moderate income – Bryan County
- 615 Hunter Avenue, Boswell, Oklahoma 74727 - CT 9673.00 – Moderate income – Choctaw County
- 2626 Loy Lake Road, Sherman, Texas 75090 – CT 9.03 – Moderate income – Grayson County

The main banking lobby in Durant, Oklahoma, is open Monday through Friday from 9:00 a.m. to 5:00 p.m. The other two Durant locations have drive-thru hours Monday through Friday from 8:00 a.m. to 6:00 p.m. Lobby hours for one of these locations are Monday through Friday from 8:00 a.m. to 5:00 p.m. and on Saturday from 9:00 a.m. to until 12:00 p.m. The Boswell lobby is open from 9:00 a.m. to 4:00 p.m. with drive-thru hours from 9:00 a.m. until 5:00 p.m. The Texas location lobby is open Monday through Friday from 9:00 a.m. until 5:00 p.m. with drive-thru hours from 8:00 a.m. until 6:00 p.m., and from 9:00 a.m. until 12:00 p.m. on Saturdays. The bank operates four non-deposit-taking ATMs which are accessible 24-hours. The bank has not opened or closed any branches since the previous CRA PE.

FTNB has two defined assessment areas (AA), one located in Oklahoma and the other located in Texas, that will be assessed under this evaluation.

- Bryan County and Choctaw County (Oklahoma Non-MSA AA)
- Grayson County (Sherman-Dennison, Texas MSA AA)

Bryan County consists of 13 CTs. Of those, none are low income, three are moderate income, nine are middle income, and one is upper income. The county does not have any underserved or distressed CTs. Choctaw County consists of five CTs. Of those, one is low income, one is moderate income, three are middle income, and none is upper income. The county does not have any underserved or distressed CTs.

Grayson County is composed of 30 CTs. Of those, one is low income, eight are moderate income, 15 are middle-income, and six are upper income. The county does not have any underserved or distressed CTs.

FTNB offers diverse loan and deposit services, including mobile and Internet Banking, for both individuals and businesses, offered through its website www.ftnb.net. The primary business focus is to serve commercial and consumer customers in Bryan and Choctaw Counties in Oklahoma and Grayson County in Texas. The bank also has a presence in Marshall County but lending in the county is not significant enough to include Marshall county in its assessment area. FTNB does not sell loans into the secondary market, nor do they originate loans guaranteed by the Federal Housing Administration

or United States Department of Veterans Affairs. Durant is the largest city in Bryan County with an estimated population of 20,908 in 2024. Boswell is small community 30 miles east of Durant that consists mostly of cattle ranching and farming. The town had an estimated population of 578 people in 2024. Hugo is the largest city in Choctaw County, and is 20 miles east of Boswell and 50 miles east of Durant.

As of December 31, 2024, FTNB's assets totaled \$221.6 million, total liabilities were \$202.1 million, and total equity capital was \$19.5 million. Gross loans totaled \$150.4 million representing 67.9 percent of total assets. Commercial and commercial real estate loans and residential real estate loans accounted for the largest percentage of gross loans at 52.3 percent and 40.9 percent, respectively. Consumer loans totaled 6.7 percent. Total investments were \$60.4 million. Tier 1 capital totaled \$24.7 million. Based on these numbers, we determined the bank's primary lending products for this evaluation are residential real estate mortgages and small business loans.

The previous CRA PE, dated December 14, 2020, assigned a "Satisfactory" rating to the bank. There are no legal or financial impediments to FTNB's ability to meet the credit needs of its AAs. We did not consider the activities of affiliates in this evaluation.

Scope of the Evaluation

Evaluation Period/Products Evaluated

The evaluation period was January 1, 2022, through December 31, 2024. The bank is a Home Mortgage Disclosure Act (HMDA) reporter. We conducted a data integrity review of the bank's HMDA data and found it to be reliable to use for assessing the bank's residential lending performance. For the geographic and borrower distribution analyses, we compared lending performance data to 2020 census data effective January 2022.

Selection of Areas for Full-Scope Review

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

Ratings

The bank's overall rating includes Oklahoma and Texas. Both states are equally rated.

Discriminatory or Other Illegal Credit Practices Review

Pursuant to 12 CFR 25.28(c) (March 29, 2024) in determining a national bank's CRA rating, we consider evidence of discriminatory or other illegal credit practices in any geography by the bank, or in any AA by an affiliate whose loans have been considered as part of the bank's lending performance. As part of this evaluation process, we consult with other federal agencies with responsibility for compliance

with the relevant laws and regulations, including the U.S. Department of Justice, the U.S. Department of Housing and Urban Development, and the Consumer Financial Protection Bureau, as applicable.

We did not identify that this institution (or any affiliate whose loans have been considered as part of the institution's lending performance) engaged in discriminatory or other illegal credit practices that require consideration in this evaluation.

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

State Rating

State of Oklahoma

CRA rating for the State of Oklahoma: Satisfactory

The Lending Test is rated: Satisfactory

The major factors that support this rating include:

- The bank exhibits an excellent distribution of loans by income level of the geography.
- The bank exhibits a reasonable distribution of loans to individuals of different income levels and businesses of different sizes.

Description of Institution's Operations in Oklahoma

The Oklahoma Non-MSA AA consists of Bryan and Choctaw Counties located in the southeastern portion of the state. The Oklahoma Non-MSA AA received a full scope review.

As of the 2020 U.S. Census, the Oklahoma Non-MSA AA contained 18 census tracts, of which, there is one low-income CT, four moderate-income CTs, twelve as middle-income CTs, and one upper-income CT. Durant is the largest city in Bryan County, while Hugo is the largest city in Choctaw County.

The bank operated four full-service branches within this AA, two with drive-thru locations and two with non-deposit taking ATMs. Three branches are located in moderate-income CTs and one branch, located at 1825 West University in Durant, is located in a middle-income CT. FTNB offers diverse products and services during reasonable hours Monday through Friday, with drive-thru services provided on Saturday.

As of June 30, 2024, the bank had \$176.4 million in deposits within the Oklahoma Non-MSA AA representing 87.4 percent of the bank's total deposits. During the evaluation period, the bank made 183, or 81.3 percent by number, and \$23,688, or 76.6 percent of its dollar volume, of its home mortgage and small business loans within this AA.

According to the June 30, 2024 FDIC deposit-market share report, there were nine FDIC-insured institutions operating 22 branches in the AA. The bank ranked second in deposit market share with 4.1 percent. The top institution by market share of the AA was First United Bank and Trust Company. The

remaining top five institutions are Shamrock Bank, N.A., Security First National Bank of Hugo, and Simmons Bank. The top five banks hold a combined 95.8 percent market share.

According to Moody’s Analytics report, the closest metro area is Oklahoma City. This area’s strength includes diverse economic drivers beyond energy, low-cost structure, large and stable professional and business services cluster, strong population growth and a high concentration of prime-age workers. Weaknesses include exposure to boom-and-bust energy cycles, below-average worker productivity and few high-tech jobs. Major employment industries include government, education and health services, professional and business services, leisure and hospitality services, and retail trade. Major employers include Tinker Air Force Base, University of Oklahoma-Norman, Integris Health, Amazon, and Hobby Lobby Stores, Inc.

According to the Bureau of Labor Statistics, the non-seasonally adjusted unemployment rate for Bryan County was 3.1 percent in January 2022, decreasing to 2.7 in December 2024. The non-seasonally adjusted unemployment rate for Choctaw County was 4.5 percent in January 2022 and decreased to 3.3 percent in December 2024. The broader Oklahoma statewide unemployment levels were 3.3 percent and 3 percent during the same evaluation period.

Oklahoma Non-MSA

Assessment Area(s) - Oklahoma Non-MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	2022 - 2024
						NA* % of #
Geographies (Census Tracts)	18	5.56	22.22	66.67	5.56	0.00
Population by Geography	60,271	3.51	19.33	74.49	2.67	0.00
Housing Units by Geography	28,053	3.86	19.15	74.07	2.92	0.00
Owner-Occupied Housing by Geography	15,172	2.83	14.05	79.46	3.67	0.00
Occupied Rental Units by Geography	8,536	5.54	28.23	64.23	1.99	0.00
Vacant Units by Geography	4,345	4.17	19.15	74.59	2.09	0.00
Businesses by Geography	1,797	3.78	24.99	69.73	1.50	0.00
Farms by Geography	159	1.26	18.24	71.70	8.81	0.00
Family Distribution by Income Level	15,868	23.47	18.38	20.61	37.54	0.00
Household Distribution by Income Level	23,708	25.89	16.74	16.97	40.40	0.00
Unemployment rate (%)	5.97	8.66	7.57	5.44	5.56	0.00
Households Below Poverty Level (%)	18.74	45.34	23.30	16.27	16.92	0.00
Median Family Income (Non-MSAs - OK)		\$58,565		Median Housing Value		\$104,500
Median Family Income (Non-MSAs - OK) for 2024		\$69,000		Median Gross Rent		\$715
				Families Below Poverty Level		14.15

FFIEC File - 2020 Census
 FFIEC File - 2024 Census
 2024 Dun & Bradstreet SBSF Demographics
 Due to rounding, totals may not equal 100.00%
 (*) The NA category consists of geographies that have not been assigned an income classification

The populations of the Oklahoma Non-MSA AA as reported through the 2020 U.S. Census was 60,271 of which 3.5 percent were low-income individuals, and 19.3 percent were moderate-income individuals.

The poverty level across the AA was considered in the evaluation of lending performance. Families living below the stated poverty rate are identified as having difficulty meeting basic financial needs and as such are less likely to have the financial resources to qualify for a home loan than those with income above poverty levels. According to the 2020 U.S. Census, 14.2 percent of families in the Oklahoma Non-MSA AA had income below the federal poverty line.

According to the 2020 U.S. Census demographic data, households below the poverty level represented 18.7 percent, with the number of housing units in the AA representing 28,053 at the end of the assessment period. Of that amount, 15,172 are owner-occupied, while 8,536 are occupied rental units, and 14,345 units sit vacant, representing 54.1 percent, 30.4 percent, and 15.5 percent of total housing units, respectively. The median housing value of housing units for the Oklahoma Non-MSA AA was \$104,500 at the end of the evaluation period.

Community Contacts

One community contact was utilized for this evaluation. The organization is a non-profit that unites the efforts of businesses and professional people to improve the economy and build a better community. The contact noted businesses are experiencing growth in the area and that they do not have specific barriers that would affect their profitability. The Kickapoo Turnpike was just completed which is giving people the ability to commute more conveniently to Oklahoma City. The contact also noted that many out of state families have moved into the community, stating that the average home price is estimated at \$250,000 and up.

Scope of Evaluation in Oklahoma

The Oklahoma Non-MSA AA received a full-scope review. When evaluating FTNB's performance, we gave more weight to home mortgage lending performance due to it making up 67.8 percent of the combined lending volume for home and small business loan originations. Refer to appendix A for a summary of all AAs.

LENDING TEST

The bank's performance under the Lending Test in Oklahoma is rated Satisfactory.

Conclusions for Area Receiving a Full-Scope Review

Based on a full-scope review, the bank's performance in the Oklahoma Non-MSA AA was reasonable.

Distribution of Loans by Income Level of the Geography

The bank exhibited excellent geographic distribution of loans in the State. We gave more weight to performance in moderate-income geographies considering the higher percentage of owner-occupied housing units and the percentage of businesses in those geographies.

Home Mortgage Loans

Refer to Table 7a in the state of Oklahoma section of appendix D for data used to evaluate the geographic distribution of the bank's home mortgage loan originations and purchases.

The geographical distribution of home mortgage loans was excellent. The percentage of home mortgage loans originated or purchased in moderate-income geographies exceeded both the percentage of owner-occupied housing units and the aggregate lending to moderate-income geographies. There are no low-income census tracts in Bryan County and only one CT found in Choctaw County. The bank did not make any home mortgage loans in the low-income geography. The percentage of home mortgage loans

in low-income geographies was lower than both the percentage of owner-occupied housing units and the aggregate distribution of loans. Low-income CTs presented limited lending opportunities for the bank. Given this, less consideration is given to FTNB's weaker performance in the overall conclusion.

Small Businesses Loans

Refer to Table 9a in the state of Oklahoma section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's originations and purchases of small business loans.

The geographic distribution of small business loans reflects excellent distribution throughout the AA. The geographic distribution percentage of small business loans to businesses in moderate-income geographies exceeded the percentage of business located in moderate-income geographies as well as the aggregate lending to business located in moderate-income geographies. The geographic distribution of small business loans to businesses in low-income geographies in the AA was significantly lower than the percentage of business located in low-income geographies. There are no low-income census tracts in Bryan County and only one CT found in Choctaw County. The bank did not make any small business loans in the low-income geography. The bank's percentage of small loans to businesses in low-income geographies was significantly below both the percentage of small businesses in those geographies and the aggregate distribution of loans. Low-income CTs presented limited lending opportunities for the bank. Given this, less consideration is given to FTNB's weaker performance in the overall conclusion.

Lending Gap Analysis

Examiners did not identify any unexplained conspicuous gaps in any of the areas they reviewed. We reviewed summary reports and maps and analyzed home mortgage lending activity to identify any gaps in the geographic distribution of loans in all full-scope AA. The geographic distribution of small business loans also shows no unexplained conspicuous gaps.

Distribution of Loans by Income Level of the Borrower

The bank exhibited a reasonable distribution of loans to individuals of different income levels and businesses and farms of different sizes, given the product lines offered by the bank.

Home Mortgage Loans

Refer to Table 8a in the state of Oklahoma section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

The borrower distribution of home mortgage loans was adequate. The bank's percentage of home mortgage loans to low-income borrowers was lower than the percentage of low-income families but exceeded aggregate lending to low-income borrowers. The bank's percentage of home mortgage loans to moderate-income borrowers was lower than both the percentage of moderate-income families and the aggregate lending to moderate-income borrowers.

Small Business Loans

Refer to Table 10a in the state of Oklahoma section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's originations and purchases of small business loans.

The distribution of loans to businesses of different sizes was excellent. The bank's percentage of loans to businesses with revenues of \$1 million or less was near the percentage of businesses with gross annual revenues of \$1 million or less and exceeded the aggregate lending to small business with gross revenues of \$1 million or less.

Responses to Complaints

FTNB did not receive any complaints related to its CRA performance during the evaluation period. This did not have a positive or negative impact on the overall rating.

State Rating

State of Texas

CRA rating for the State of Texas: Satisfactory

The Lending Test is rated: Satisfactory

The major factors that support this rating include:

- An excellent geographic distribution of home mortgage and small business loans; and
- A reasonable distribution of home mortgage and small business loans by the income level

Description of Institution's Operations in Texas

The Sherman-Denison MSA AA consists of Grayson County in north central Texas. The Sherman-Denison MSA AA received a full-scope review.

As of the 2020 U.S. Census, the Sherman-Denison MSA AA contained 30 CTs, of which 3.3 percent were low-income, 26.7 percent were moderate-income, 50 percent were middle-income, and 20 percent were upper-income.

The bank operated one full-service branch with a drive-thru and a non-deposit taking ATM within this AA. The branch is located in a moderate-income CT.

As of June 30, 2024, the bank had \$25.4 million in deposits in this AA representing 12.6 percent of the bank's total deposits. During the evaluation period, the bank made 42, or 18.7 percent by number, and \$7.2 million, or 23.4 percent by dollar volume, home mortgage and small business loans within the AA.

According to the June 30, 2024 FDIC deposit-market share report, there were 17 FDIC-insured institutions operating 37 branches in the AA. The bank ranked 13th in deposit market share with 0.7 percent. The top institution by market share of the AA was First United Bank and Trust Company. The remaining top five institutions are Independent Bank, Simmons Bank, JPMorgan Chase Bank, N.A., and Cadence Bank. The top five banks hold a combined 84.3 percent market share. In this AA, competition can be particularly challenging for smaller banks as they strive to establish and expand their presence in a market dominated by larger institutions.

According to Moody’s Analytics report as of September 2024, the Sherman-Denison MSA strengths include the area being a residential community located in the Dallas-Oklahoma City corridor, strong net migration and population growth, low business costs, and low employment volatility. Weaknesses include limited availability of high-paying jobs, lower labor force participation compared to Texas and the national average, and shortage of skilled labor. The top five employers in the area are Texoma Healthcare Systems, Tyson Foods, Rulz Foods, Walmart Inc., and Cigna.

According to the Bureau of Labor Statistics, the non-seasonally adjusted unemployment rate for Grayson County was 4.2 percent in January 2022, decreasing to 3.4 in December 2024. The broader Texas statewide unemployment levels were at 4.7 percent and 3.7 percent during the same evaluation period.

Sherman-Denison MSA

Assessment Area(s) - Sherman-Denison MSA							2022 - 2024
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #	
Geographies (Census Tracts)	30	3.33	26.67	50.00	20.00	0.00	
Population by Geography	135,543	2.52	25.43	48.85	23.20	0.00	
Housing Units by Geography	56,749	2.26	25.48	49.96	22.30	0.00	
Owner-Occupied Housing by Geography	33,648	2.05	20.72	52.55	24.67	0.00	
Occupied Rental Units by Geography	15,679	2.35	35.63	45.76	16.26	0.00	
Vacant Units by Geography	7,422	2.98	25.61	47.10	24.31	0.00	
Businesses by Geography	5,006	6.75	22.23	45.96	25.05	0.00	
Farms by Geography	287	1.74	8.01	59.58	30.66	0.00	
Family Distribution by Income Level	33,765	20.33	18.99	20.98	39.70	0.00	
Household Distribution by Income Level	49,327	22.90	17.13	18.51	41.47	0.00	
Unemployment rate (%)	4.37	4.34	5.07	4.20	4.01	0.00	
Households Below Poverty Level (%)	11.73	23.68	15.66	11.10	7.45	0.00	
Median Family Income (43300 - Sherman-Denison, TX MSA)		\$71,649		Median Housing Value		\$154,750	
Median Family Income (43300 - Sherman-Denison, TX MSA) for 2024		\$92,100		Median Gross Rent		\$919	
				Families Below Poverty Level		8.60	
FFIEC File - 2020 Census							
FFIEC File - 2024 Census							
2024 Dun & Bradstreet SBSF Demographics							
Due to rounding, totals may not equal 100.00%							
(*) The NA category consists of geographies that have not been assigned an income classification							

The populations of the Sherman-Denison MSA AA, as reported through the 2020 U.S. Census, was 135,543 of which 2.5 percent were low-income individuals, and 25.4 percent were moderate-income individuals.

The poverty level across the AA was considered in the evaluation of lending performance. Families living below the stated poverty rate are identified as having difficulty meeting basic financial needs and as such are less likely to have the financial resources to qualify for a home loan than those with income above poverty levels. According to the 2020 U.S. Census, 8.6 percent of families in the Sherman-Denison MSA AA had income below the federal poverty line.

According to the 2020 U.S. Census demographic data, households below the poverty level represented 11.7 percent, with the number of housing units in the AA representing 56,749 at the end of the assessment period. Of the total, 33,648 are owner-occupied, while 15,679 are occupied rental units, and 7,422 units sit vacant, representing 59.3 percent, 27.6 percent, and 13.1 percent of total housing units, respectively. The median housing value of housing units for the Sherman-Denison MSA AA was \$154,750 at the end of the evaluation period.

Community Contacts

As part of the CRA evaluation, We reviewed information from a community contact performed during the evaluation period. The community contact interview was with the president of a public, nonprofit organization that focuses on economic development within the AA. The organization develops and implements a comprehensive economic development program.

According to the contact, the area has experienced significant growth in population and businesses thanks to its strategic location between Dallas and Oklahoma City, which offers a small-town feel with affordable living. This growth has spurred interest in small business development and attracted national retailers. Major employers in the area include a medical center, a food company, and the local school district. While the area adapts to this growth, the contact noted a shortage of entry-level homes due to rising real estate prices and a need for small business start-up loans.

Scope of Evaluation in Texas

The Sherman-Denison MSA AA received a full-scope review. FTNB has one full-service branch and drive-thru facility location in Sherman, Texas which is in Grayson County. Refer to appendix A for a list of all AAs under review

LENDING TEST

The bank's performance under the Lending Test in Texas is rated Satisfactory.

Conclusions for Area Receiving a Full-Scope Review

Based on a full-scope review, the bank's performance in the Sherman-Denison MSA AA was reasonable.

Distribution of Loans by Income Level of the Geography

The bank exhibited excellent geographic distribution of loans in the State.

Home Mortgage Loans

Refer to Table 7b in the state of Texas section of appendix D for data used to evaluate the geographic distribution of the bank's home mortgage loan originations and purchases.

The geographical distribution of home mortgage loans was excellent. The percentage of home mortgage loans originated or purchased in moderate-income geographies exceeded both the percentage of owner-occupied housing units and the aggregate lending to moderate-income geographies. The bank did not make any home mortgage loans in the low-income geography. The percentage of home mortgage loans in low-income geographies was lower than the percentage of owner-occupied housing units in the low-income CT. However, the aggregate distribution of loans was less than 1 percent in the low-income CT. Low-income CTs presented limited lending opportunities for the bank. Given this, less consideration is given to FTNB's weaker performance in the overall conclusion.

Small Business Loans

Refer to Table 9b in the state of Texas section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's originations and purchases of small business loans.

The geographic distribution of small business loans reflects excellent distribution throughout the AA. The bank's percentage of small business loans in low-income geographies exceeded both the percentage of businesses in those geographies and the aggregate lending. The percentage of small business loans in moderate-income geographies was near the percentage of businesses in those geographies but exceeded the aggregate lending.

Lending Gap Analysis

Examiners did not identify any unexplained conspicuous gaps in any of the areas they reviewed. The OCC reviewed summary reports and maps and analyzed home mortgage lending activity to identify any gaps in the geographic distribution of loans in all full-scope AA.

Distribution of Loans by Income Level of the Borrower

The bank exhibited a reasonable distribution of loans to individuals of different income levels and businesses and farms of different sizes, given the product lines offered by the bank.

Home Mortgage Loans

Refer to Table 8b in the state of Texas section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

The borrower distribution of home mortgage loans was adequate. The bank's percentage of home mortgage loans to low-income borrowers was lower than the percentage of low-income families but exceeded aggregate lending to low-income borrowers. The bank's percentage of home mortgage loans to moderate-income borrowers was lower than the percentage of moderate-income families but somewhat lower than the aggregate lending to moderate-income borrowers.

Small Business Loans

Refer to Table 10b in the state of Texas section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination and purchase of small business loans.

The distribution of loans to businesses of different sizes was reasonable. The bank's percentage of loans to businesses with revenues of \$1 million or less was lower than the percentage of businesses with gross annual revenues of \$1 million or less but was near the aggregate lending to small businesses.

Responses to Complaints

There were no complaints related to FTNB's CRA performance within Texas.

Appendix A: Scope of Examination

The following table identifies the period covered in this evaluation, affiliate activities that were reviewed, and loan products considered. The table also reflects the MSAs and non-MSAs 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:	January 1, 2022 to December 31, 2024	
Bank Products Reviewed:	Home mortgage and Small business loans	
Affiliate(s)	Affiliate Relationship	Products Reviewed
None	N/A	N/A
List of Assessment Areas and Type of Examination		
Rating and Assessment Areas	Type of Exam	Other Information
MMSA(s)		
None	N/A	N/A
State - Oklahoma		
Oklahoma non-MSA	Full-Scope	Bryan and Choctaw Counties
State - Texas		
Sherman-Denison, TX MSA	Full-Scope	Grayson County

Appendix B: Summary of MMSA and State Ratings

RATINGS	
Overall Bank:	Lending Test Rating
First Texoma National Bank	Satisfactory
State:	
Oklahoma	Satisfactory
Texas	Satisfactory

Appendix C: Definitions and Common Abbreviations

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

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

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

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

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

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

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

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

Family: Includes a householder and one or more other persons living in the same household who are related to the householder by birth, marriage, or adoption. The number of family households always equals the number of families; however, a family household may also include non-relatives living with the family. Families are classified by type as either a married-couple family or other family, which is further classified into ‘male householder’ (a family with a ‘male householder’ and no wife present) or ‘female householder’ (a family with a ‘female householder’ and no husband present).

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

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

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

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

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

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

Low-Income: Individual income that is at 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 state/AA.

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

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

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

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

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

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

Multistate Metropolitan Statistical Area (MMSA): Any multistate metropolitan statistical area or multistate combined statistical area, as defined by the Office of Management and Budget.

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.

Prior Period Investments: Investments made in a previous evaluation period that are outstanding as of the end of the evaluation period.

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

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

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

Small Loan(s) to Farm(s): A loan included in 'loans to small farms' as defined in the instructions for preparation of the Consolidated Report of Condition and Income (Call Report). These loans have

original amounts of \$500,000 or less and are either secured by farmland or are classified as loans to finance agricultural production and other loans to farmers.

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

Unfunded Commitments: Legally binding investment commitments that are tracked and recorded by the institution's financial reporting system.

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

Appendix D: Tables of Performance Data

Content of Standardized Tables

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

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

- Table 7. Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography** - Compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of owner-occupied housing units throughout those geographies. The table also presents aggregate peer data for the years the data is available.
- Table 8. Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower** - Compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage distribution of families by income level in each MMSA/AA. The table also presents aggregate peer data for the years the data is available.
- Table 9. Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography** – Compares the percentage distribution of the number of small loans (less than or equal to \$1 million) to businesses that were originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of businesses (regardless of revenue size) in those geographies. Because aggregate small business data are not available for geographic areas smaller than counties, it may be necessary to compare bank loan data to aggregate data from geographic areas larger than the bank’s AA.
- Table 10. Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenue** - Compares the percentage distribution of the number of small loans (loans less than or equal to \$1 million) originated and purchased by the bank to businesses with revenues of \$1 million or less to: (1) the percentage distribution of businesses with revenues of greater than \$1 million; and, (2) the percentage distribution of businesses for which revenues are not available. The table also presents aggregate peer small business data for the years the data is available.

Table 7a: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography **2022 - 2024**

Assessment Area:	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$	% of Total Number	Overall Market	% of Owner-Occupied Housing Units	% Bank Loans	% Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	% Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	% Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	% Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	% Aggregate
Oklahoma Non-MSA	124	16,108	100.00	3,715	2.83	--	0.81	14.05	19.35	15.02	79.46	80.65	81.51	3.67	--	2.61	--	--	--
Total	124	16,108	100.00	3,715	2.83	--	0.81	14.05	19.35	15.02	79.46	80.65	81.51	3.67	--	2.61	--	--	--

*Source: FFIEC File - 2020, 2024 Census; 1/1/2022 - 12/31/2024 Bank Data, 2022, 2023, 2024 HMDA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0%*

Table 8a: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower **2022 - 2024**

Assessment Area:	Total Home Mortgage Loans				Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers		
	#	\$	% of Total Number	Overall Market	% Families	% Bank Loans	% Aggregate	% Families	% Bank Loans	% Aggregate	% Families	% Bank Loans	% Aggregate	% Families	% Bank Loans	% Aggregate	% Families	% Bank Loans	% Aggregate
Oklahoma Non-MSA	124	16,108	100.00	3,715	23.47	6.45	3.82	18.38	9.68	12.36	20.61	14.52	21.80	37.54	50.81	44.41	--	18.55	17.60
Total	124	16,108	100.00	3,715	23.47	6.45	3.82	18.38	9.68	12.36	20.61	14.52	21.80	37.54	50.81	44.41	--	18.55	17.60

*Source: FFIEC File - 2020, 2024 Census; 1/1/2022 - 12/31/2024 Bank Data, 2022, 2023, 2024 HMDA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0%*

Table 9a: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography **2022 - 2024**

Assessment Area:	Total Loans to Small Businesses				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$	% of Total Number	Overall Market	% Businesses	% Bank Loans	% Aggregate	% Businesses	% Bank Loans	% Aggregate	% Businesses	% Bank Loans	% Aggregate	% Businesses	% Bank Loans	% Aggregate	% Businesses	% Bank Loans	% Aggregate
Oklahoma Non-MSA	20	3,120	100.00	3,017	3.78	--	1.86	24.99	40.00	18.43	69.73	60.00	78.12	1.50	--	1.59	--	--	--
Total	20	3,120	100.00	3,017	3.78	--	1.86	24.99	40.00	18.43	69.73	60.00	78.12	1.50	--	1.59	--	--	--

*Source: FFIEC File - 2020, 2024 Census; 1/1/2022 - 12/31/2024 Bank Data, 2024 Dunn & Bradstreet SBSF Demographics, 2022, 2023, 2024 CRA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0%*

Table 10a: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues											2022 - 2024	
Assessment Area:	Total Loans to Small Businesses			Businesses with Revenues <= 1MM			Businesses with Revenues > 1MM		Businesses with Revenues Not Available			
	#	\$	% of Total Number	Overall Market	% Businesses	% Bank Loans	% Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans	
Oklahoma Non-MSA	20	3,120	0.00	3,017	81.36	80.00	64.40	4.28	10.00	14.36	10.00	
Total	20	3,120	0.00	3,017	81.36	80.00	64.40	4.28	10.00	14.36	10.00	

Source: FFIEC File - 2020, 2024 Census; 1/1/2022 - 12/31/2024 Bank Data, 2024 Dunn & Bradstreet SBSF Demographics, 2022, 2023, 2024 CRA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0%

Table 7b: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography																			2022 - 2024	
Assessment Area:	Total Home Mortgage Loans			Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts				
	#	\$	% of Total Number	Overall Market	% of Owner-Occupied Housing Units	% Bank Loans	% Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	% Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	% Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	% Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	% Aggregate	
Sherman-Denison MSA	19	4,071	100.00	14,727	2.05	--	0.96	20.72	31.58	20.81	52.55	57.89	43.06	24.67	10.53	35.04	--	--	--	
Total	19	4,071	100.00	14,727	2.05	--	0.96	20.72	31.58	20.81	52.55	57.89	43.06	24.67	10.53	35.04	--	--	--	

Source: FFIEC File - 2020, 2024 Census; 1/1/2022 - 12/31/2024 Bank Data, 2022, 2023, 2024 HMDA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0%

Table 8b: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower																			2022 - 2024	
Assessment Area:	Total Home Mortgage Loans			Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers				
	#	\$	% of Total Number	Overall Market	% Families	% Bank Loans	% Aggregate	% Families	% Bank Loans	% Aggregate	% Families	% Bank Loans	% Aggregate	% Families	% Bank Loans	% Aggregate	% Families	% Bank Loans	% Aggregate	
Sherman-Denison MSA	19	4,071	100.00	14,727	20.33	5.26	3.59	18.99	5.26	10.36	20.98	15.79	17.27	39.70	31.58	44.14	--	42.11	24.64	
Total	19	4,071	100.00	14,727	20.33	5.26	3.59	18.99	5.26	10.36	20.98	15.79	17.27	39.70	31.58	44.14	--	42.11	24.64	

Source: FFIEC File - 2020, 2024 Census; 1/1/2022 - 12/31/2024 Bank Data, 2022, 2023, 2024 HMDA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0%

Table 9b: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography																			2022 - 2024		
Assessment Area:	Total Loans to Small Businesses			Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts					
	#	\$	% of Total Number	Overall Market	% Businesses	% Bank Loans	% Aggregate	% Businesses	% Bank Loans	% Aggregate	% Businesses	% Bank Loans	% Aggregate	% Businesses	% Bank Loans	% Aggregate	% Businesses	% Bank Loans	% Aggregate		
Sherman-Denison MSA	21	2,816	0.00	9,715	6.75	14.29	4.48	22.23	19.05	18.15	45.96	28.57	45.10	25.05	38.10	32.28	--	--	--		
Total	21	2,816	0.00	9,715	6.75	14.29	4.48	22.23	19.05	18.15	45.96	28.57	45.10	25.05	38.10	32.28	--	--	--		

Source: FFIEC File - 2020, 2024 Census; 1/1/2022 - 12/31/2024 Bank Data, 2024 Dunn & Bradstreet SBSF Demographics, 2022, 2023, 2024 CRA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0%

Table 10b: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues												2022 - 2024		
Assessment Area:	Total Loans to Small Businesses				Businesses with Revenues <= 1MM			Businesses with Revenues > 1MM			Businesses with Revenues Not Available			
	#	\$	% of Total Number	Overall Market	% Businesses	% Bank Loans	% Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans			
Sherman-Denison MSA	21	2,816	100	9,715	85.80	47.62	52.26	3.36	52.38	10.85	--			
Total	21	2,816	100	9,715	85.80	47.62	52.26	3.36	52.38	10.85	--			

Source: FFIEC File - 2020, 2024 Census; 1/1/2022 - 12/31/2024 Bank Data, 2024 Dunn & Bradstreet SBSF Demographics, 2022, 2023, 2024 CRA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0%