



Office of the
Comptroller of the Currency
Washington, DC 20219

INTERMEDIATE SMALL BANK

PUBLIC DISCLOSURE

February 7, 2022

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

FSNB, National Association
Charter Number 14546

1420 Southwest Lee Boulevard
Lawton, OK, 73501

Office of the Comptroller of the Currency
The Harvey Parkway Building
301 NW 63rd Street, Suite 490
Oklahoma City, OK 73116-7908

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

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Overall CRA Rating

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

The Lending Test is rated: Outstanding.

The Community Development Test is rated: Satisfactory.

The major factors that support this rating include:

- The Lending Test rating is based on a reasonable loan-to-deposit (LTD) ratio, a majority of loans purchased or originated in the bank's assessment areas (AAs), an excellent distribution of loans in low- and moderate-income (LMI) geographies, and an excellent distribution of loans to individuals of different income levels.
- The Community Development (CD) Test rating is based on adequate responsiveness to CD needs in the AAs through CD loans, qualified investments, and CD services in the AAs.

Loan-to-Deposit Ratio

The bank's loan-to-deposit ratio is reasonable, considering the bank's size, financial condition, and credit needs of the AAs.

The bank's quarterly average net LTD ratio since the preceding CRA evaluation, for the eight-quarter period from January 2019 to December 2020, was 46.6 percent. The LTD ratio ranged from a high of 49.7 percent in the third quarter of 2018 to a low of 39.8 percent in the last quarter of 2020. The bank's ratio was significantly lower than the 82.5 percent quarterly average net LTD ratio of similar-sized banks nationwide. But the ratio is consistent with that of banks with similar business models or that serve similar markets, including banks with branches in Walmart stores and banks that operate in military communities. These banks had an average LTD ratio of 54.9 and with ratios ranging from a low of 30.2 percent to a high of 73.6 percent during the evaluation period.

BANK NAME	STATE	TOTAL ASSETS (000s)	Average LTD Ratio (%)
<i>FSNB, National Association</i>	<i>OK</i>	<i>\$483,603</i>	<i>46.6</i>
Bank of Pensacola	FL	\$138,029	57.6
City National Bank and Trust Company of Lawton, OK	OK	\$439,366	67.7
First National Bank Texas*	TX	\$3,789,942	56.5
Fort Hood National Bank	TX	\$337,216	37.6

*First National Bank Texas operates branches in Walmart stores and acquired Fort Hood National Bank in October 2020

We considered that FSNB's lending volume and LTD ratio were impacted by the COVID-19 pandemic. In 2020, the bank had an increase in deposit account balances as consumers received federal pandemic-related financial support. This, along with loan payoffs and decreased loan demand, resulted in a declining LTD ratio. A similar LTD ratio decline was observed in the peer banks.

Lending in Assessment Area

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

The bank originated and purchased 82.7% percent of its total loans inside the bank's AAs during the evaluation period, as illustrated in the table below. This analysis is performed at the bank-wide level, rather than for each AA. Loans inside the assessment areas are factored into the overall lending gap analysis of the geographic distribution of lending by income level of geography.

Lending Inside and Outside of the Assessment Area										
Loan Category	Number of Loans				Total #	Dollar Amount of Loans \$(000s)				Total \$(000s)
	Inside		Outside			Inside		Outside		
	#	%	#	%		\$	%	\$	%	
Consumer	3,021	82.7	630	17.3	3,651	4,603	80.4	\$1,121	19.6	\$5,724
Total	3,021	82.7	630	17.3	3,651	4,603	80.4	\$1,121	19.6	\$5,724

Description of Institution

FSNB, National Association (FSNB) is a community bank with total assets of \$495 million, as of December 31, 2020. FSNB is headquartered in Lawton, Oklahoma, which is located in the southern part of the state. FSNB originally started in 1946 on Fort Sill Army Post in Lawton, OK. Until 2000, FSNB operated only on military installations in Oklahoma, Delaware, South Carolina, Texas, and California. In 2000, FSNB began opening branches inside Walmart stores. The majority of FSNB's growth has come through opening branches in Walmart stores. FSNB now operates 85 full-service banking centers in nine states, with branches on military installations (4), in Walmart stores (72), as standalone branches (8), and one branch in a CashSaver discount food market.

FSNB Banking Center States	
Arkansas	5
Delaware	3
Georgia	6
Louisiana	4
Mississippi	9
North Carolina	13
Oklahoma	5
Tennessee	38
Texas	2
TOTAL	85

FSNB is a subsidiary of JRMB II, a two-bank holding company also headquartered in Lawton, Oklahoma. FSNB's sister bank is The City National Bank and Trust Co. of Lawton, also located in Lawton, Oklahoma, with total assets of \$414 million.

FSNB's branch network is highly accessible and convenient to LMI individuals. The bank offers loan products to meet the needs of military families and LMI civilian customers. FSNB considers themselves a "second chance" bank and serves customers who have been turned down for accounts at other banks.

FSNB offers these consumers a second chance at a bank account regardless of their banking history and offers accounts to people who have never had bank accounts before. FSNB does not conduct credit checks on new accounts—customers are accepted even if they have bad credit, no credit, or a negative history with financial reporting agencies.

FSNB branches offer extended hours to meet the needs of LMI individuals. Generally, branches inside Walmart stores are open until 6:00 pm or 7:00 pm Monday through Friday and until 2:00 pm on Saturdays. Branches on military bases inside Base and Post Exchange stores are open seven days a week and operate the same extended hours as the exchanges. Walmart branches have outside ATMs that are accessible when the Walmart store is open, which is mostly 24 hours a day. Military locations usually have ATM's throughout the base and accessibility depends on building hours. FSNB also offers telephone, online, and mobile banking to offer greater access to customers.

FSNB has 10 rating areas, 21 assessment areas, covering nine states and two Multistate Metropolitan Statistical Areas (MMSA); Memphis TN-MS-AR MSA, which encompasses three states, and Clarksville TN-KY MMSA, which encompasses two states. Additionally, there are three Combined Statistical Areas (CSAs). There are 93 ATMs, across FSNB's geographic footprint, none of which are deposit-taking.

There are no legal, financial, or other factors impeding the bank's ability to help meet the credit needs in its AAs. A CRA PE was last prepared as of January 7, 2019, and the bank received an overall rating of "Satisfactory."

FSNB Small Dollar Lending

FSNB's business strategy is focused on small dollar unsecured loans and vehicle secured loans. FSNB offers unsecured loans as low as \$300 dollars. These small dollar loans are a primary credit need for low- and moderate-income individuals.

FSNB offers unsecured loans as low as \$300 when other banks will not make loans lower than \$500-\$5,000. These small dollar "micro-loans" are a primary loan need for LMI individuals and provides an alternative to non-financial institution payday, title, or other predatory loans that often trap consumers into recurring debt. FSNB also offers low-rate military graduation loans, military permanent change of stations (PCS) loans, and military relocation loans.

FSNB has flexible lending practices with regard to credit scores and underwriting. FSNB offers these types of loans regardless of geography. Applicants can apply at a branch, by phone, or online, making access to credit highly convenient. Although there are no financial education requirements attached to these loans, FSNB offers financial education classes throughout their several AAs.

We analyzed loans \$5,000 and under made between January 1, 2019 and December 31, 2020. FSNB originated 3,511 loans less than \$5,000 during the evaluation period. The large majority of these loans are to LMI individuals, with the median borrower income of only \$25,000. The average loan size was \$1,351 and had a \$99.86 average monthly payment. These types of loans make it possible for individuals to correct past credit problems or start building credit, which is important for advancing their financial health.

FSNB provides services to non-customers. Non-customers can cash checks at any FSNB branch for a fee that is usually lower than other check cashing businesses. This service specifically targets unbanked and under-banked consumers who are disproportionately from lower-income households. FSNB's website offers financial education and fraud education resources to both customers and non-customers.

As of December 31, 2020, FSNB reported total assets of \$495 million, total deposits of \$406 million, and tier 1 capital of \$61.6 million. Gross loans totaled \$165 million and represented 33.3 percent of total assets. The breakdown of FSNB's loan portfolio by product type is listed in the table below:

Loan Portfolio Composition	\$(000)	% of Total
Commercial Real Estate	\$62,966	38.15%
1-4 Family Residential	\$39,762	24.09%
Farm Loans	\$23,304	14.12%
Commercial and Industrial	\$20,090	12.17%
Consumer	\$5,861	3.55%
Multi-family Real Estate	\$7,021	4.25%
Other	\$4,661	2.82%
State & Political Loans	\$1,070	0.65%
Construction and Land Dev.	\$272	0.20%
Total Loans	\$165,070	100.00%

COVID-19 Pandemic

FSNB adjusted operating hours to continue to serve the banking needs of customers while conforming to state and local mandates. Operating hours within Walmart branches were adjusted as needed to coincide with Walmart store operating hours. FSNB experienced an influx of deposits over the review period as a direct result of the economic stimulus payments deposited by customers associated with the COVID-19 pandemic. Deposits increased bank-wide 28.69 percent from year-end 2019 to year-end 2020.

The use of internet banking capabilities increased from 2019 to 2020 specifically in terms of mobile deposit capture. Users of mobile deposit capture increased from 2,532 to 3,960, resulting in a 56 percent increase in users.

The evaluation of the bank's CD services takes into consideration the impact of the COVID-19 pandemic. Some of the bank's AA markets were in government-mandated lockdowns that limited residents activities outside of the home and businesses reduced operations, which impacted the bank staff's ability to perform CD services—for example, teaching financial education classes. FSNB has a library of financial education material readily available on their website, but the extent of the use of this information by those that would have otherwise attended a financial education course in person was indeterminable through the course of this CRA examination.

Other Information – Nationwide CD Loans and Investments

FSNB's CD activities included loans and investments that benefitted areas outside of the bank's AAs, states, and regional areas in which the bank operates.

FSNB made a \$300,000 loan to finance a multi-family, low-income housing tax credit (LIHTC) development in South Carolina.

FSNB made a \$1.6 million investment in a nationwide small business investment company (SBIC). Information was not available to determine the benefit of the investment to the bank's AAs, states, or regional areas.

FSNB invested in nine Small Business Administration (SBA) 7(a) loan pools to reach a broader area. The loan pool investments include 398 loans totaling \$9.2 million that were originated to small businesses not located in any of the bank's AAs, states or regional areas in which the bank operates.

These qualified investments and CD loans are given positive consideration since the bank has been adequately responsive to the needs and opportunities of its AAs.

Scope of the Evaluation

Evaluation Period/Products Evaluated

The evaluation period includes all reported activity from January 1, 2019 to December 31, 2020. The evaluation considers consumer loans originated during the evaluation period, and the bank's community development loans, qualified investments and community development service activities during the evaluation period.

As discussed under "Lending in the Assessment Area", the bank's primary loan product during the evaluation period was consumer loans. This is consistent with the number and volume of loans originated during the evaluation period as well as the bank's primary lending strategy.

The OCC compared bank loan data for all applicable years in the state rating areas to demographic data using the U.S. Census American Community Survey (ACS) and the Federal Financial Institutions Examination Council (FFIEC) adjusted median family income for each AA.

Selection of Areas for Full-Scope Review

In each state where the bank has an office, we selected one AA within that state for a full-scope review. For purposes of this evaluation, bank-delineated assessment areas located within the same metropolitan statistical area (MSA), multistate metropolitan statistical area (MMSA), or combined statistical area (CSA) are combined and evaluated as a single AA. Similarly, bank delineated non-MSA AAs within the same state are combined and evaluated as a single area. These combined AAs may be evaluated as full- or limited-scope.

Refer to the "Scope" section under each State Rating section for details regarding how full-scope AAs were selected. Refer to appendix A, Scope of Examination, for a list of full- and limited-scope AAs.

Ratings

The bank's overall rating is a blend of the state ratings.

The MMSA rating and state ratings are based on a review of performance in all full-scope and limited-scope AAs. Refer to the "Scope" section under each MMSA and State Rating section for details regarding how the AAs were weighted in arriving at the respective ratings.

When evaluating the bank's overall performance, we placed greater weight on performance on states based on deposit concentration, branch distribution, and reportable loans. The state of Oklahoma has the greatest concentration of deposits, at 58.4 percent based on FDIC deposit data for June 30, 2020. The states of

North Carolina, Oklahoma, Tennessee, and the Memphis TN-MS-AR MMSA have the most consumer loan originations, representing 77.8 percent combined. These AAs represent a combined 65.1 percent of branch locations.

In evaluating the bank's performance under the Lending Test, we gave equal emphasis to the geographic distribution of the bank's loans and the bank's lending by borrower income level.

Discriminatory or Other Illegal Credit Practices Review

Pursuant to 12 CFR 25.28(c), in determining a national bank's CRA rating, the OCC considers evidence of discriminatory or other illegal credit practices in any geography by the bank, or in any assessment area by an affiliate whose loans have been considered as part of the bank's lending performance. As part of this evaluation process, the OCC consults with other federal agencies with responsibility for compliance with the relevant laws and regulations, including the U.S. Department of Justice, the U.S. Department of Housing and Urban Development, and the Bureau of Consumer Financial Protection, as applicable.

The OCC has not identified that this institution has engaged in discriminatory or other illegal credit practices that require consideration in this evaluation.

The OCC will consider any information that this institution engaged in discriminatory or other illegal credit practices, identified by or provided to the OCC before the end of the bank'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.

Multistate Metropolitan Statistical Area Rating

Memphis TN-MS-AR MSA

CRA rating for the Memphis TN-MS-AR MSA¹: Satisfactory

The Lending Test is rated: Outstanding

The Community Development Test is rated: Satisfactory

The major factors that support this rating include:

- The bank exhibits excellent geographic distribution of loans in the AA.
- The bank exhibits an excellent distribution of loans to individuals of different income levels in the AA.
- The bank exhibits adequate responsiveness to community development needs in the AA through qualified investments and community development services, considering the bank's capacity, community needs and the availability of opportunities for community development in the AA.

Description of Institution's Operations in Memphis TN-MS-AR MSA

FSNB operates 13 of its 85 branches (15.29 percent) in this assessment area. Of the 13 branches 12 are located within Walmart store locations and one branch is in a CashSaver grocery store. There are 13 ATMs in the Memphis TN-MS-AR MSA and all are accessible 24 hours per day, seven days per week. FSNB has opened one branch in the MSA during this exam review period, Shelby County. The newest branch in the MSA is in a CashSaver, which is a cost-plus food outlet (items are priced at cost plus 10 percent). These grocery stores specifically target low- and moderate-income individuals. FSNB did not close any branches in this MMSA during the review period.

FSNB's primary business focus is retail and consumer lending. FSNB provides a full range of loan and deposit products and services in the MSA. FSNB operates 13 full-service brick and mortar offices; one branch is located in a moderate-income census tract bordering a low-income census tract, five branches are located in a middle-income census tract, with two branches bordering a moderate-income census tract. The MMSA has had several census tract income level changes during the exam review period.

Additionally, FSNB operates two technology branches in the MSA. FSNB opened its first technology branch in 2013. Technology branches are full-service branches that occupy limited space typically around 300 square feet. These branches utilize drive-through banking technology to maximize the use of the space, kiosks are set up that link to a back-room customer service representative by telephone handsets and monitors. Customers can make deposits, withdrawals, and conduct any normal business of a traditional branch. There is also a space for a new account representative at the front of the branch to assist customers if needed. These technology branches use limited resources and allow FSNB to offer banking services where other banks were unwilling or unable to provide services.

¹ This rating reflects performance within the MMSA. The statewide evaluations do not reflect performance in the parts of those states contained within the MMSA.

Table A – Demographic Information of the Assessment Area						
Assessment Area: Memphis TN-MS-AR MSA 2020						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	314	22.9	21.0	24.8	28.7	2.5
Population by Geography	1,340,336	16.7	20.6	25.4	36.7	0.5
Housing Units by Geography	561,186	19.1	20.5	25.1	35.0	0.3
Owner-Occupied Units by Geography	302,866	10.1	17.2	27.6	45.1	0.1
Occupied Rental Units by Geography	189,200	27.6	24.6	22.5	24.9	0.4
Vacant Units by Geography	69,120	35.1	24.2	21.1	18.6	1.1
Businesses by Geography	88,759	11.9	16.5	23.5	47.2	0.9
Farms by Geography	2,426	6.2	16.9	33.1	43.2	0.7
Family Distribution by Income Level	325,821	24.7	15.8	17.5	42.0	0.0
Household Distribution by Income Level	492,066	25.6	15.5	16.5	42.4	0.0
Median Family Income MSA - 32820 Memphis, TN-MS-AR MSA		\$58,214	Median Housing Value			\$133,443
Median Family Income Non-MSAs - MS		\$43,897	Median Gross Rent			\$855
			Families Below Poverty Level			14.9%
Source: 2015 ACS and 2020 D&B Data Due to rounding, totals may not equal 100.0% (*) The NA category consists of geographies that have not been assigned an income classification.						

Competition in the Memphis-TN-AR-MS MSA is strong with 53 other financial institutions in the area including several large nationwide and regional banks. Based on the FDIC Deposit Market Share data as of June 30, 2020, FSNB has a 0.04 percent deposit market share in this MMSA and is ranked 52nd out of 53 financial institutions doing business in the MMSA. The deposits account for 3.83 percent of the bank's total deposits and 16.45 percent of total bank loans. Primary competitors include First Horizon, Regions Bank, and Truist Bank who make up the top three banks with the greatest market shares at 37.3 percent, 12.88 percent, and 6.01 percent, respectively.

Memphis is considered an inland port for the country. FedEx has its headquarters in Memphis and is the single largest employer. Educational and Health services, professional and business services, and the government are the leading industries in the MSA, behind FedEx.

We consulted with two community contacts in the AA to gain a better understanding of the general community credit needs, as well as economic conditions. These community contacts are non-profit organizations that work with businesses. They strive to serve as the intersection between the community and commerce. One contact serves Tipton County and the other serves Desoto County as well as the surrounding communities. One contact stated that the area is depressed and suffering from blight. The primary needs in the area are for small business support. Both contacts noted the lack of employment opportunities in the area and that residents have to commute to other areas for jobs. They indicated a need for partnerships to educate the community on economic development tools, like opportunity zones and tax credits.

Scope of Evaluation in Memphis TN-MS-AR MSA

The assessment area was evaluated as a full-scope review. The bank's lending and community development tests cover the period January 1, 2019 through December 31, 2020. All qualified community development activities between those dates are included in this evaluation.

The bank's primary loan product during the evaluation period was consumer loans. Where relevant to our conclusions, we considered the performance context previously discussed in the "Description of the Institution", the "Description of the Institution's Operations", and other factors discussed in this section.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN MEMPHIS TN-MS-AR MSA

LENDING TEST

The bank's performance under the Lending Test in the Memphis TN-MS-AR MSA is rated Outstanding.

Based on a full-scope review, the bank's performance in the Memphis TN-MS-AR MSA is excellent.

Distribution of Loans by Income Level of the Geography

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

Consumer Loans

Refer to Table U in the "MMSA" section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's consumer loan originations and purchases.

The bank's distribution of consumer loans in LMI geographies is excellent. The percent of bank consumer loans in low-income geographies exceeds the percent of households in low-income geographies in the AA. The percent of bank consumer loans in moderate-income geographies also exceeds the percent of households in moderate-income geographies in the AA.

Lending Gap Analysis

The OCC evaluated the lending distribution in the Memphis TN-MS-AR MSA to determine if any unexplained, conspicuous gaps existed. We reviewed summary reports, maps, and analyzed FSNB's lending activity over the evaluation period to identify any gaps in the geographic distribution of loans. We did not identify any unexplained, conspicuous gaps.

Distribution of Loans by Income Level of the Borrower

The bank exhibits an excellent distribution of loans to individuals of different income levels in the MMSA.

Consumer Loans

Refer to Table V in the "MMSA" section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's consumer loan originations and purchases.

The bank's distribution of consumer loans to LMI individuals is excellent. The percent of bank consumer loans to low-income borrowers exceeds the percent of low-income households in the AA. The percent of bank consumer loans to moderate-income borrowers also exceeds the percent of moderate-income households in the AA.

Responses to Complaints

There were no CRA-related complaints received by the bank, nor to the OCC, during the evaluation period.

COMMUNITY DEVELOPMENT TEST

The bank's performance under the Community Development Test in the Memphis TN-MS-AR MMSA is rated Satisfactory.

Based on a full-scope the review, the bank exhibits adequate responsiveness to community development needs in the MMSA through qualified investments and community development services, considering the bank's capacity, community needs and the availability of opportunities for community development in the AA.

Number and Amount of Community Development Loans

Refer to the Community Development Loan table below for the facts and data used to evaluate the bank's level of CD lending. The table includes all CD loans, including multifamily loans that also qualify as CD loans.

<i>Community Development Loans</i>				
Assessment Area	Total			
	#	% of Total #	\$(000's)	% of Total \$
Memphis TN-MS-AR MSA	0	0.0	0	0.0

CD lending in the full-scope AA reflects poor responsiveness to the CD lending and community needs of the AA given its capacity to lend. During the evaluation period, the bank did not make any loans in the AA. Contributing to the lack of CD loans is the fact that the bank's primary focus is small dollar retail and consumer lending. The bank also has strong competition from 53 other financial institutions in this AA and they operate 12 branches inside Walmart stores and one inside a grocery store. FSNB has only a 0.04 percent deposit market share in the MMSA.

Number and Amount of Qualified Investments

The Qualified Investment Table, shown on the following page, set forth the information and data used to evaluate the bank's level of qualified CD investments. The table includes all CD investments, including prior period investments that remain outstanding as of the examination date.

<i>Qualified Investments</i>										
Assessment Area	Prior Period*		Current Period		Total				Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	% of Total #	\$(000's)	% of Total \$	#	\$(000's)
Memphis TN-MS-AR MSA	3	915	4	74	7	100	989	100	0	0

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

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

Overall, the level of CD investments reflects adequate responsiveness to assessment area needs, given its capacity to make such CD investments. During the evaluation period, FSNB's qualified investments included two SBA 7(a) securities for \$74,000 and two donations that totaled less than \$1,000 that supported a local school where a majority of the students are LMI, and a local foundation that helps LMI families, homeless families, and incarcerated individuals recently released that need assistance. FSNB had three prior period investments in CRA-qualified mortgage-backed securities with an outstanding balance of \$915,000.

Extent to Which the Bank Provides Community Development Services

FSNB has demonstrated adequate responsiveness to the CD service needs in the Memphis, TN-MS-AR Multi-State MSA. A total of nine employee hours were dedicated to CD service activities providing basic financial literacy education to school children and a more advanced financial literacy course for adults. In total, these CD services reached 63 LMI children and adults.

State Rating

State of Arkansas

CRA rating for the State of Arkansas: Satisfactory

The Lending Test is rated: Satisfactory

The Community Development Test is rated: Satisfactory

The major factors that support this rating include:

- The bank exhibits a reasonable geographic distribution of loans in the AAs.
- The bank exhibits an excellent distribution of loans to individuals of different income levels in the AAs.
- The bank exhibits adequate responsiveness to community development needs in the AAs through qualified investments and community development services, considering the bank's capacity, community needs and the availability of opportunities for community development in the AAs.

Description of Institution's Operations in Arkansas

FSNB operates five of its 85 branches (5.88 percent) in the state of Arkansas; however, the Crittenden County branch is included in the Memphis TN-MS-AR MMSA. The Pope County branch is located in Non-MSA Arkansas and is evaluated under limited scope. Of the remaining four branches in Arkansas, all of them are located within Walmart store locations. There are four non-deposit taking ATMs in the state of Arkansas and all are accessible 24 hours per day, seven days per week. FSNB has not opened any branches in the state; however, the bank did close one branch in the Little Rock-North Little Rock-AR CSA in 2019, which was located in a middle-income census tract.

Based on the FDIC Deposit Market Share data as of June 30, 2020, FSNB had a less than 0.01 percent deposit market share in Arkansas and is ranked 112th out of 113 financial institutions doing business in the state. The deposits accounts for 0.87 percent of the bank's total deposits. Primary competitors include Arvest Bank, which ranked first in deposit market share (14.55 percent) with 121 offices, Bank of the Ozarks, which ranked second in deposit market share (10.51 percent) with 80 offices, and Bank of America, N.A., which ranked third in deposit market share (7.53 percent) with 19 offices.

FSNB's primary focus is meeting the needs of their military and civilian customers, including low- and moderate-income individuals. They offer a variety of loan and deposit products to meet the needs of the communities they serve.

Little Rock-North Little Rock, AR CSA

FSNB operates three of its 85 branches (3.53 percent) in this assessment area. Of the three branches, all are located within Walmart store locations. There are three non-deposit taking ATMs in the CSA and all are accessible 24 hours per day, seven days per week. FSNB did not open any branches in the CSA during the review period, but they did close one branch in the CSA in 2019, which was located in a middle-income census tract.

The Little Rock-North Little Rock, AR CSA consists of nine counties in their entirety. This Census-defined CSA includes the Little Rock-North Little Rock-Conway, AR MSA and the Pine Bluff, AR MSA,

which are combined due to close proximity and economic interdependence. The CSA has 194 census tracts comprising 12 low-income tracts, 48 moderate-income tracts, 81 middle-income tracts, 51 upper-income tracts, and two unclassified income census tracts. No branches are located in a low- or moderate-income tract. One branch is in a middle-income census tract that borders two moderate income level census tracts, another branch is located in an upper-income level census tract that borders two moderate income level tracts. FSNB branches are located in the cities of Conway (Faulkner County) Benton (Saline County), and Pine Bluff (Jefferson County). Conway and Benton are northwest and southwest of Little Rock, respectively. Pine Bluff is located in the southeastern portion of the state. The MMSA has had several census tract income levels trend downward and shift at least one level during the exam review period.

FSNB's primary business focus is retail and consumer lending. FSNB provides a full range of loan and deposit products and services in the CSA. FSNB operates two technology branches in the CSA. FSNB opened its first technology branch in 2013. Technology branches are full-service branches that occupy limited space typically around 300 square feet. These branches utilize drive-through banking technology to maximize the use of the space, kiosks are set up that link to a back-room customer service representative by telephone handsets and monitors. Customers can make deposits, withdrawals, and conduct any normal business of a traditional branch. There is also a space for a new account representative at the front of the branch to assist customers if needed. These technology branches use limited resources and allow FSNB to offer banking services where other banks were unwilling or unable to provide services.

Table A – Demographic Information of the Assessment Area						
Assessment Area: Little Rock-North Little Rock AR CSA 2020						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	194	6.2	24.2	41.8	26.3	1.5
Population by Geography	818,804	4.2	20.4	43.6	31.2	0.6
Housing Units by Geography	357,798	4.8	21.2	43.1	30.5	0.4
Owner-Occupied Units by Geography	202,762	2.4	16.7	46.1	34.6	0.2
Occupied Rental Units by Geography	109,089	7.5	26.9	38.7	26.2	0.7
Vacant Units by Geography	45,947	8.7	27.5	40.1	22.9	0.7
Businesses by Geography	54,849	4.9	20.3	34.4	40.3	0.2
Farms by Geography	2,042	1.4	18.3	49.4	30.9	0.0
Family Distribution by Income Level	201,832	21.7	17.3	19.8	41.3	0.0
Household Distribution by Income Level	311,851	24.4	16.1	17.8	41.7	0.0
Median Family Income MSA - 30780 Little Rock-North Little Rock-Conway, AR MSA		\$61,339	Median Housing Value			\$136,626
Median Family Income MSA - 38220 Pine Bluff, AR MSA		\$47,667	Median Gross Rent			\$753
			Families Below Poverty Level			11.4%
Source: 2015 ACS and 2020 D&B Data Due to rounding, totals may not equal 100.0% (*) The NA category consists of geographies that have not been assigned an income classification.						

Competition in the Little Rock-North Little Rock, AR CSA is strong with 68 other financial institutions in the area including several large nationwide and regional banks. Based on the FDIC Deposit Market Share data as of June 30, 2020, FSNB has a 0.01 percent deposit market share in this MMSA and is ranked 63rd out of 68 financial institutions doing business in the CSA. The deposits account for 0.64 percent of the bank's total deposits and 2.35 percent of total bank loans. Primary competitors include Bank of the Ozarks, Bank of America, N.A., and Simmons Bank who make up the top three banks with the greatest market shares at 20.16 percent, 15.81 percent, and 11.14 percent, respectively.

Little Rock is the state capital of Arkansas and its largest city. The government is the primary employer in the Little Rock area. Other leading industries in the region include educational and health services, professional and business services, as well as manufacturing. Faulkner County's largest employer is Acxiom Corporation, a data and technology service provider followed by the University of Central Arkansas. In Saline County, the largest employer is the Bryant Public School system, followed by the Saline Memorial Hospital. In Jefferson County the largest employer is The Arkansas State Department of Corrections, Jefferson Hospital, Tyson Poultry, and The University of Arkansas at Pine Bluff.

We consulted with one community contact in the assessment area to gain a better understanding of the general community credit needs, as well as economic conditions. The community contact is a state government entity that serves all counties within the state of Arkansas. Their mission is to create economic opportunity by attracting higher paying jobs, expanding and diversifying state and local economies, increasing incomes and investments, and generating positive growth throughout the state. For central Arkansas, the contact indicated that primary credit needs include business loans and incentives to attract employers to the area. They also mentioned a need for improved infrastructure. The contact believes the greatest community development and credit opportunities for central Arkansas include housing to support LMI individuals. They also mentioned there are many opportunities for banks to collaborate in development projects to improve access to financial services, through investments in affordable housing projects or loan pools and participation on boards to provide financial guidance through the life of community development projects. Overall, the contact felt financial institutions are perceived to be supportive of community development efforts, engaged in community activities, and actively involved in improving and advancing their communities.

Scope of Evaluation in Arkansas

The Little Rock-North Little Rock, AR CSA was evaluated as a full-scope review. The Non-MSA Arkansas area was evaluated as a limited-scope review. The bank's lending and community development tests cover the period January 1, 2019 through December 31, 2020. All qualified community development activities between those dates are included in this evaluation.

The bank's primary loan product during the evaluation period was consumer loans. Where relevant to our conclusions, we considered the performance context previously discussed in the "Description of the Institution", the "Description of the Institution's Operations", and other factors discussed in this section.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN ARKANSAS

LENDING TEST

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

Conclusions for Area Receiving a Full-Scope Review

Based on a full-scope review, the bank's lending performance in the Little Rock-North Little Rock, AR CSA is reasonable.

Distribution of Loans by Income Level of the Geography

The bank exhibits a reasonable geographic distribution of loans in the Little Rock-North Little Rock, AR CSA.

Consumer Loans

Refer to Table U in the state of Arkansas section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's consumer loan originations and purchases.

The bank's distribution of consumer loans in LMI geographies is reasonable. The percent of bank consumer loans in low-income geographies is somewhat lower than the percent of households in low-income geographies in the AA. The percent of bank consumer loans in moderate-income geographies exceeds the percent of households in moderate-income geographies in the AA.

Lending Gap Analysis

The OCC evaluated the lending distribution in the Little Rock-North Little Rock, AR CSA to determine if any unexplained, conspicuous gaps existed. We reviewed summary reports, maps, and analyzed FSNB's lending activity over the evaluation period to identify any gaps in the geographic distribution of loans. We did not identify any unexplained, conspicuous gaps.

Distribution of Loans by Income Level of the Borrower

The bank exhibits an excellent distribution of loans to individuals of different income levels in the Little Rock-North Little Rock, AR CSA.

Consumer Loans

Refer to Table V in the state of Arkansas section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's consumer loan originations and purchases.

The bank's distribution of consumer loans to LMI individuals is excellent. The percent of bank consumer loans to low-income borrowers exceeds the percent of low-income households in the AA. The percent of bank consumer loans to moderate-income borrowers also exceeds the percent of moderate-income households in the AA.

Responses to Complaints

There were no CRA-related complaints received by the bank, nor to the OCC, during the evaluation period.

Conclusions for Area Receiving a Limited Scope Review

Based on a limited-scope review, the bank's performance under the Lending Test in the Non-MSA Arkansas AA is consistent with the bank's overall performance under the Lending Test in the full-scope area.

COMMUNITY DEVELOPMENT TEST

The bank's performance under the Community Development Test in the state of Arkansas is rated Satisfactory.

Conclusions for Area Receiving a Full-Scope Review

Based on a full-scope review, the bank exhibits adequate responsiveness to community development needs in the Little Rock-North Little Rock, AR CSA through qualified investments and community development services, considering the bank's capacity, community needs and the availability of opportunities for community development in the AAs.

Number and Amount of Community Development Loans

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

<i>Community Development Loans</i>				
Assessment Area	Total			
	#	% of Total #	\$(000's)	% of Total \$
Full Scope				
Little Rock-North Little Rock, AR CSA	0	0.00	0	0.0
Limited Scope				
Non-MSA Arkansas	0	0.0	0	0.0
Broader Statewide Area	1	100.0	233	100.0

Little Rock-North Little Rock, AR CSA

CD lending in the full-scope AA reflects poor responsiveness to the CD lending and community needs of the AA given its capacity to lend. During the evaluation period, the bank did not make any loans in the AA. Contributing to the lack of loans is the fact that the bank's primary focus is retail and consumer lending. The bank also has strong competition from 68 other financial institutions in this AA and they operate in three branches inside Walmart stores, in which two are technology branches.

Number and Amount of Qualified Investments

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

<i>Qualified Investments</i>										
Assessment Area	Prior Period*		Current Period		Total				Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	% of Total #	\$(000's)	% of Total \$	#	\$(000's)
Full Scope										
Little Rock-North Little Rock, AR CSA	1	381	1	***	2	33.3	381	88.5	0	0
Limited Scope										
Non-MSA Arkansas	0	0	2	1	2	33.3	1	0.2	0	0
Broader Statewide Area	0	0	2	49	2	33.4	49	11.3	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 bank's financial reporting system.

*** Investments less than one thousand (donations).

Little Rock-North Little Rock, AR CSA

Overall, the level of CD investments reflects adequate responsiveness to assessment area needs, given its capacity to make such CD investments. During the evaluation period, one donation of less than \$100 was made for school supplies at a local school where a majority of the students are LMI. FSNB had one prior period CRA-qualified mortgage-backed security with an outstanding balance of \$381,000.

Extent to Which the Bank Provides Community Development Services

Little Rock-North Little Rock, AR CSA

FSNB has demonstrated adequate responsiveness to the CD service needs in the Little Rock-North Little Rock, AR CSA AA. Two employee hours were dedicated to CD service activities to 20 LMI adults. This was in conjunction with Central Arkansas Workforce Development Area at a half-way house and re-entry program educating the residents about the importance of budgeting.

Conclusions for Area Receiving a Limited Scope Review

Based on a limited-scope review, the bank's performance under the CD Test in the Non-MSA Arkansas AA is weaker than the bank's overall performance under the CD Test in the full-scope area. There were no CD loans made in the AA and qualified investments were very low. CD services were consistent with the bank's performance in the full-scope AA.

Broader Statewide Area – AR

In addition to the CD activities that benefit the bank's AAs, FSNB made one CD loan for \$233,000 and two qualified investments totaling \$49,000 in Arkansas, in the broader statewide area that is outside of the bank's AAs.

State Rating

State of Delaware

CRA rating for the State of Delaware: Satisfactory

The Lending Test is rated: Satisfactory

The Community Development Test is rated: Satisfactory

The major factors that support this rating include:

- The bank exhibits an excellent geographic distribution of loans in the AA.
- The bank exhibits an excellent distribution of loans to individuals of different income levels in the AA.
- The bank exhibits adequate responsiveness to community development needs in the AA through qualified investments and community development services, considering the bank's capacity, community needs and the availability of opportunities for community development in the AA.

Description of Institution's Operations in Delaware

FSNB operates three of its 85 branches (3.53 percent) in the state of Delaware. Two of the branches are located in Walmart stores and the other location is located on Dover Air Force Base (DAFB) in the Base Exchange. There are two non-deposit taking ATMs in the state of Delaware and all are accessible 24 hours per day, seven days per week. FSNB has not opened or closed any branches in the state.

FSNB's primary focus is meeting the needs of their military and civilian customers, including low- and moderate-income individuals. They offer a variety of loan and deposit products to meet the needs of the communities they serve.

Dover, DE MSA

The Dover, DE MSA consists of one entire county. The MSA has 33 census tracts one low-income tract comprising six moderate-income tracts, 21 middle-income tracts, four upper-income tracts, and one unclassified income census tract. One branch is located in a moderate-income tract, the other two branches are located in middle-income census tracts. The MSA has had several census tract income levels trend downward and shift at least one level during the exam review period.

FSNB's primary business focus is retail and consumer lending. FSNB provides a full range of loan and deposit products and services in the CSA. The opportunity for residential, commercial, and other loans is very limited around military installations. These types of loans do not represent the primary credit need of military members. Housing and housing subsidies are provided to military personnel. FSNB's customer base in this market is primarily enlisted Airmen whose income is in the low- to moderate-income category.

Walmart branches operate extended weekday hours and Saturdays to allow for more convenient and easier access to all customers. The ATMs are located outside the Walmart Branches and are accessible 24 hours per day, seven days per week.

Table A – Demographic Information of the Assessment Area						
Assessment Area: Dover DE MSA 2020						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	33	3.0	18.2	63.6	12.1	3.0
Population by Geography	169,509	1.3	15.3	69.0	14.4	0.0
Housing Units by Geography	67,315	1.6	16.0	68.7	13.8	0.0
Owner-Occupied Units by Geography	42,185	0.7	11.5	72.6	15.2	0.0
Occupied Rental Units by Geography	18,386	3.5	26.7	59.2	10.7	0.0
Vacant Units by Geography	6,744	1.5	14.6	70.2	13.7	0.0
Businesses by Geography	11,816	13.2	14.3	61.3	11.3	0.0
Farms by Geography	569	1.1	11.1	80.0	7.9	0.0
Family Distribution by Income Level	42,277	21.6	16.6	21.7	40.1	0.0
Household Distribution by Income Level	60,571	23.2	17.0	18.7	41.1	0.0
Median Family Income MSA - 20100 Dover, DE MSA		\$64,252	Median Housing Value			\$197,071
			Median Gross Rent			\$998
			Families Below Poverty Level			9.9%
Source: 2015 ACS and 2020 D&B Data Due to rounding, totals may not equal 100.0% (*) The NA category consists of geographies that have not been assigned an income classification.						

Competition in the Dover, DE MSA is strong with 14 other financial institutions in the area including several large nationwide and regional banks. Based on the FDIC Deposit Market Share data as of June 30, 2020, FSNB has a 0.32 percent deposit market share in this MMSA and is ranked 13th out of 14 financial institutions doing business in the MSA. The deposits account for 3.31 percent of the bank's total deposits and 2.14 percent of total bank loans. Primary competitors include Wilmington Savings Fund Society, FSB, Manufacturers and Traders Trust Company, and Del-One who make up the top three banks with the greatest market shares at 18.51 percent, 17.01 percent, and 13.55 percent, respectively.

The governmental industry leads the local economy. Both the state of Delaware and the Kent County government agencies are located in Dover. Educational and health services, manufacturing, and retail are also prominent industries in the Dover area. The MSA's largest employers are the state of Delaware, Federal Department of Defense, Kraft-Heinz, Perdue, and Proctor and Gamble.

DAFB is home to two Airlift Wings of the United States Air Force Base. One Wing is active duty while the other wing is a reserve component. DAFB directly and indirectly provides approximately 10,000 jobs in the Dover area. DAFB estimates the economic impact at \$590 million per year, including salaries, retiree pay, and local contracts and expenditures. DAFB ranks in the top 10 of the largest employers for the state of Delaware.

We consulted with two community contacts in the AA to gain a better understanding of the general community credit needs, as well as economic conditions. These community contacts are non-profit organizations that work with businesses and try to improve their ability to address homelessness and community development. One contact serves Kent County and Sussex County, whereas the other serves the entire state of Delaware. One contact indicated that the current economic outlook is poor, as a result

of COVID-19 pandemic. Thirteen local businesses have closed primarily associated with the retail and hospitality industries. The other contact echoed similar comments and concerns with the economic outlook of the area. They indicated a reduction in the areas major industries, as well as jobs in banking and financial services. These jobs have been replaced with hospitality and service jobs with lower pay. The primary needs in the area are small business grants as businesses are struggling and borrowing is not always possible.

Scope of Evaluation in Delaware

The Dover, DE MSA was evaluated as a full-scope review. The bank's lending and community development tests cover the period January 1, 2019 through December 31, 2020. All qualified community development activities between those dates are included in this evaluation.

The bank's primary loan product during the evaluation period was consumer loans. Where relevant to our conclusions, we considered the performance context previously discussed in the "Description of the Institution", the "Description of the Institution's Operations", and other factors discussed in this section.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN DELAWARE

LENDING TEST

The bank's performance under the Lending Test in Delaware is rated Outstanding.

Conclusions for Area Receiving a Full-Scope Review

Based on a full-scope review, the bank's lending performance in the Dover, DE MSA is excellent.

Distribution of Loans by Income Level of the Geography

The bank exhibits an excellent geographic distribution of loans in the Dover, DE MSA.

Consumer Loans

Refer to Table U in the state of Delaware section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's consumer loan originations and purchases.

The bank's distribution of consumer loans in LMI geographies is reasonable. The bank made no loans to borrowers in low-income geographies, which is lower than the percent of households in low-income geographies in the AA. However, it is noted that there is only one low-income CT in the AA with less than 2 percent of the AA population residing this geography.

The percent of bank consumer loans in moderate-income geographies exceeds the percent of households in moderate-income geographies in the AA.

Lending Gap Analysis

The OCC evaluated the lending distribution in the Dover, DE MSA to determine if any unexplained, conspicuous gaps existed. We reviewed summary reports, maps, and analyzed FSNB's lending activity

over the evaluation period to identify any gaps in the geographic distribution of loans. We did not identify any unexplained, conspicuous gaps.

Distribution of Loans by Income Level of the Borrower

The bank exhibits an excellent distribution of loans to individuals of different income levels in the Dover, DE MSA.

Consumer Loans

Refer to Table V in the state of Delaware section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's consumer loan originations and purchases.

The bank's distribution of consumer loans to LMI individuals is excellent. The percent of bank consumer loans to low-income borrowers exceeds the percent of low-income households in the AA. The percent of bank consumer loans to moderate-income borrowers also exceeds the percent of moderate-income households in the AA.

Responses to Complaints

There were no CRA-related complaints received by the bank, nor to the OCC, during the evaluation period.

COMMUNITY DEVELOPMENT TEST

The bank's performance under the Community Development Test in the state of Delaware is rated Satisfactory.

Conclusions for Area Receiving a Full-Scope Review

Based on a full-scope review, the bank exhibits adequate responsiveness to community development needs in the Dover, DE MSA through qualified investments and community development services, considering the bank's capacity, community needs and the availability of opportunities for community development in the AA.

Number and Amount of Community Development Loans

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

<i>Community Development Loans</i>				
Assessment Area	Total			
	#	% of Total #	\$(000's)	% of Total \$
Full Scope				
Dover, DE MSA	0	0.0	0	0.0
Broader Statewide Area	1	100.0	269	100.0

Dover, DE MSA

CD lending in the full-scope AA reflects poor responsiveness to the CD lending and community needs of the AA given its capacity to lend. During the evaluation period, the bank did not make any CD loans in the AA. Contributing to the lack of CD loans is the fact that the bank's primary focus is retail and consumer lending. The bank also has strong competition from 14 other financial institutions in this AA and they operate two branches inside Walmart stores and one on Dover Air Force Base. FSNB has a 0.32 percent deposit market share in this MSA.

Number and Amount of Qualified Investments

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

<i>Qualified Investments</i>										
Assessment Area	Prior Period*		Current Period		Total				Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	% of Total #	\$(000's)	% of Total \$	#	\$(000's)
Full Scope										
Dover, DE MSA	2	298	2	***	4	100.0	298	100.0	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.

*** Investments less than one thousand (donations).

Dover, DE MSA

Overall, the level of CD investments reflects adequate responsiveness to assessment area needs, given its capacity to make such CD investments. During the evaluation period, two donations with a total under \$1,000 were made to community organizations that support services to LMI seniors and children. One donation was to a local food pantry that provides meals and financial education to LMI seniors and disabled people. The other donation was to a local community organization that provides services and developmental programs aimed at helping LMI individuals and families achieve financial self-sufficiency. FSNB had one prior period CRA-qualified mortgage-backed security with an outstanding balance of \$298,000.

Extent to Which the Bank Provides Community Development Service

Dover, DE MSA

FSNB has demonstrated adequate responsiveness to the CD service needs in the Dover, DE MSA. Ten employee hours were dedicated between two CD services reaching 65 attendees focusing on understanding personal finances. One of these services was with the Airman and Family Readiness Group at Dover Air Force Base. This was part of FSNB's Money Smart Series that covers personal finance topics like budgeting, understanding credit reports, managing debt, making housing decisions, and other personal finance topics.

Broader Statewide Area- DE

In addition to the CD activities that benefit the bank's AAs, FSNB made one CD loan for \$269,000 in Delaware, in the broader statewide area that is outside of the bank's AA.

State Rating

State of Georgia

CRA rating for the State of Georgia: Satisfactory

The Lending Test is rated: Outstanding

The Community Development Test is rated: Satisfactory

The major factors that support this rating include:

- The bank exhibits excellent geographic distribution of loans in the AA.
- The bank exhibits an excellent distribution of loans to individuals of different income levels in the AA.
- The bank exhibits adequate responsiveness to community development needs in the AA through community development loans, qualified investments, and community development services, considering the bank's capacity, community needs and the availability of opportunities for community development in the AA.

Description of Institution's Operations in Georgia

FSNB operates six of its 85 branches (7.06 percent) in the state of Georgia. All of the branches are located inside Walmart stores. There are six non-deposit taking ATMs in the state of Georgia and all are accessible 24 hours per day, seven days per week. FSNB entered the Raleigh-Cary market in 2018 with three branches and they opened an additional three branches in 2019.

FSNB's primary focus is meeting the needs of their military and civilian customers, including low- and moderate-income individuals. They offer a variety of loan and deposit products to meet the needs of the communities they serve.

Atlanta-Sandy Springs-Alpharetta, GA MSA

The Atlanta-Sandy Springs-Alpharetta, GA MSA consists of twenty-nine entire counties. The MSA has 951 census tracts comprising 101 low-income tracts, 252 moderate-income tracts, 291 middle-income tracts, 299 upper-income tracts, and eight unclassified income census tracts. The FSNB branches are located in five different counties: Gwinnett, Newton, Douglas, Rockdale, and Clayton. No branches are located in low-income tracts, there are two branches in moderate-income tracts. All six branches in the MSA were opened during the review period.

All FSNB branches in the MSA are located in Walmart stores. Walmart branches operate extended weekday hours and Saturdays to allow for more convenient and easier access to all customers. Six non-deposit taking ATMs are located just outside the branches and are accessible 24 hours per day, seven days per week.

Table A – Demographic Information of the Assessment Area						
Assessment Area: Atlanta-Sandy Springs-Alpharetta GA MSA 2020						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	951	10.6	26.5	30.6	31.4	0.8
Population by Geography	5,535,837	7.4	26.2	34.3	31.8	0.3
Housing Units by Geography	2,202,308	8.3	26.9	33.0	31.7	0.1
Owner-Occupied Units by Geography	1,248,212	3.2	20.8	37.3	38.7	0.0
Occupied Rental Units by Geography	716,104	14.7	35.4	27.1	22.5	0.3
Vacant Units by Geography	237,992	15.8	33.1	28.6	22.4	0.1
Businesses by Geography	771,452	5.7	22.7	30.7	40.4	0.5
Farms by Geography	13,661	3.6	21.7	39.6	35.0	0.1
Family Distribution by Income Level	1,331,952	23.1	16.8	18.2	41.9	0.0
Household Distribution by Income Level	1,964,316	23.9	16.5	17.5	42.1	0.0
Median Family Income MSA - 12060 Atlanta-Sandy Springs-Alpharetta, GA MSA		\$67,322	Median Housing Value			\$184,540
			Median Gross Rent			\$996
			Families Below Poverty Level			12.0%
Source: 2015 ACS and 2020 D&B Data Due to rounding, totals may not equal 100.0% (*) The NA category consists of geographies that have not been assigned an income classification.						

Competition in the Atlanta-Sandy Springs-Roswell, GA MSA is strong with 108 other financial institutions in the area including several large nationwide and regional banks. Based on the FDIC Deposit Market Share data as of June 30, 2020, FSNB has a 0.01 percent deposit market share in this MSA and is not ranked on the report. The deposits account for 1.00 percent of the bank's total deposits and 2.28 percent of total bank loans. Primary competitors include Bank of America, N.A., Truist Bank, and Wells Fargo, N.A., who make up the top three banks with the greatest market shares at 20.53 percent, 19.43 percent, and 18.28 percent, respectively.

The Atlanta-Sandy Springs-Roswell, GA MSA is located in northwestern Georgia. The area is home to many universities and research hospitals as well as related businesses, with the Georgia Institute of Technology being one of the most notable. The MSA metro area is the 9th largest MSA in the country. The MSA is highly specialized in transportation, logistics, warehousing, wholesale trade, with employment concentrated in these inherently cyclical industries. Atlanta is the state capital and the state of Georgia is the largest employer.

We consulted with two community contacts in the AA to gain a better understanding of the general community credit needs, as well as economic conditions. These community contacts are non-profit organizations that work with economic development for the community and small businesses. One contact serves Gwinnett County and Northeast Georgia, whereas the other serves all of Sandy Springs, Georgia. Both contacts indicated that the current economic outlook is challenging, as a result of COVID-19 pandemic. One contact noted that housing stock, specifically affordable housing, is difficult to find as real estate prices continue to increase, which adds additional pressure on employers to increase wages. The

primary needs in the area are business related—capital investments, investment in automation to work more efficiently, workforce development training, and micro loans to small businesses.

Scope of Evaluation in Georgia

The Atlanta-Sandy Springs-Roswell, GA MSA was evaluated as a full-scope review. The bank's lending and community development tests cover the period January 1, 2019 through December 31, 2020. All qualified community development activities between those dates are included in this evaluation.

The bank's primary loan product during the evaluation period was consumer loans. Where relevant to our conclusions, we considered the performance context previously discussed in the "Description of the Institution", the "Description of the Institution's Operations", and other factors discussed in this section.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN GEORGIA

LENDING TEST

The bank's performance under the Lending Test in Georgia is rated Outstanding.

Conclusions for Area Receiving a Full-Scope Review

Based on a full-scope review the bank's lending performance in the Atlanta-Sandy Springs-Roswell, GA MSA is excellent.

Distribution of Loans by Income Level of the Geography

The bank exhibits excellent geographic distribution of loans in the Atlanta-Sandy Springs-Roswell, GA MSA.

Consumer Loans

Refer to Table U in the state of Georgia section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's consumer loan originations and purchases.

The bank's distribution of consumer loans in LMI geographies is excellent. The percent of bank consumer loans in low-income geographies exceeds the percent of households in low-income geographies in the AA. The percent of bank consumer loans in moderate-income geographies also exceeds the percent of households in moderate-income geographies in the AA.

Lending Gap Analysis

The OCC evaluated the lending distribution in the Atlanta-Sandy Springs-Roswell, GA MSA to determine if any unexplained, conspicuous gaps existed. We reviewed summary reports, maps, and analyzed FSNB's lending activity over the evaluation period to identify any gaps in the geographic distribution of loans. We did not identify any unexplained, conspicuous gaps.

Distribution of Loans by Income Level of the Borrower

The bank exhibits an excellent distribution of loans to individuals of different income levels in the Atlanta-Sandy Springs-Roswell, GA MSA.

Consumer Loans

Refer to Table V in the state of Georgia section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's consumer loan originations and purchases.

The bank's distribution of consumer loans to LMI individuals is excellent. The percent of bank consumer loans to low-income borrowers exceeds the percent of low-income households in the AA. The percent of bank consumer loans to moderate-income borrowers also exceeds the percent of moderate-income households in the AA.

Responses to Complaints

There were no CRA-related complaints received by the bank, nor to the OCC, during the evaluation period.

COMMUNITY DEVELOPMENT TEST

The bank's performance under the Community Development Test in the state of Georgia is rated Satisfactory.

Conclusions for Area Receiving a Full-Scope Review

Based on a full-scope review, the bank exhibits adequate responsiveness to community development needs in the Atlanta-Sandy Springs-Alpharetta, GA MSA through community development loans, qualified investments, and community development services, considering the bank's capacity, community needs and the availability of opportunities for community development in the AA.

Number and Amount of Community Development Loans

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

<i>Community Development Loans</i>				
Assessment Area	Total			
	#	% of Total #	\$(000's)	% of Total \$
Atlanta-Sandy Springs-Alpharetta, GA MSA	1	100.0	1,268	100.0

Atlanta-Sandy Springs-Alpharetta, GA MSA

CD lending in the full-scope AA reflects adequate responsiveness to the CD lending and community needs of the AA given its capacity to lend. During the evaluation period, the bank purchased a \$1.3 million SBA guaranteed loan that supported LMI job creation in a moderate-income geography.

Number and Amount of Qualified Investments

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

<i>Qualified Investments</i>										
Assessment Area	Prior Period*		Current Period		Total				Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	% of Total #	\$(000's)	% of Total \$	#	\$(000's)
Full Scope										
Atlanta-Sandy Springs-Alpharetta, GA MSA	0	0	9	1,104	9	64.3	1,104	90.6	0	0
Broader Statewide Area	0	0	5	114	5	35.7	114	9.4	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.

Atlanta-Sandy Springs-Alpharetta, GA MSA

Overall, the level of CD investments reflects excellent responsiveness to assessment area needs, given its capacity to make such CD investments. During the evaluation period, FSNB's investments included eight SBA 7(a) securities for \$604,000 and one municipal bond of \$500,000.

Extent to Which the Bank Provides Community Development ServicesAtlanta-Sandy Springs-Alpharetta, GA MSA

FSNB has demonstrated very poor responsiveness to the CD service needs in the Atlanta-Sandy Springs-Alpharetta, GA MSA. No CD services were recorded in this AA during the evaluation period.

Broader Statewide Area - GA

In addition to the CD activities that benefit the bank's AAs, FSNB made five qualified investments for \$114,000 in Georgia, in the broader statewide area that is outside of the bank's AA.

State Rating

State of Louisiana

CRA rating for the State of Louisiana: Satisfactory

The Lending Test is rated: Outstanding

The Community Development Test is rated: Satisfactory

The major factors that support this rating include:

- The bank exhibits excellent geographic distribution of loans in the AA.
- The bank exhibits an excellent distribution of loans to individuals of different income levels in the AA.
- the bank exhibits adequate responsiveness to community development needs in the AA through qualified investments and community development services, considering the bank's capacity, community needs and the availability of opportunities for community development in the AA.

Description of Institution's Operations in Louisiana

FSNB operates four of its 85 branches (4.71 percent) in the state of Louisiana. There is one standalone branch, and three branches are located inside Walmart stores. There are four non-deposit taking ATMs in the state of Louisiana and all are accessible 24 hours per day, seven days per week. FSNB entered the Shreveport-Bossier City market in 2012 with five branches and they opened an additional branch in 2014. FSNB has closed two branches since the previous CRA review.

FSNB's primary focus is meeting the needs of their military and civilian customers, including low- and moderate-income individuals. They offer a variety of loan and deposit products to meet the needs of the communities they serve.

Shreveport-Bossier City, LA MSA

The Shreveport-Bossier City, LA MSA consists of three entire parishes: Bossier, Caddo, and DeSoto. The MSA has 104 census tracts comprising 16 low-income tracts, 27 moderate-income tracts, 35 middle-income tracts, 25 upper-income tracts, and one unclassified income census tracts. The FSNB branches are located in two different parishes, Caddo and Bossier. No branches are located in low-income tracts, there is one branch in moderate-income tracts, one branch in a middle-income tract, and two branches in upper-income tracts. All four branches in the MSA were opened prior to the review period.

Three FSNB branches in the MSA are located in Walmart stores, and one standalone. Walmart branches operate extended weekday hours and Saturdays to allow for more convenient and easier access to all customers. Four non-deposit taking ATMs are located just outside the branches and are accessible 24 hours per day, seven days per week.

Table A – Demographic Information of the Assessment Area						
Assessment Area: Shreveport Bossier City LA MSA 2020						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	104	15.4	26.0	33.7	24.0	1.0
Population by Geography	445,727	11.5	20.9	35.7	31.9	0.0
Housing Units by Geography	197,198	11.1	21.8	36.1	31.0	0.0
Owner-Occupied Units by Geography	109,479	7.0	16.0	38.0	39.0	0.0
Occupied Rental Units by Geography	61,646	16.8	31.1	31.3	20.8	0.0
Vacant Units by Geography	26,073	14.6	24.7	39.6	21.0	0.0
Businesses by Geography	37,131	14.7	22.5	29.6	33.0	0.1
Farms by Geography	959	5.7	15.7	44.2	34.3	0.0
Family Distribution by Income Level	109,564	24.9	15.7	16.9	42.5	0.0
Household Distribution by Income Level	171,125	25.7	15.7	15.6	43.0	0.0
Median Family Income MSA - 43340 Shreveport-Bossier City, LA MSA		\$57,974	Median Housing Value			\$124,705
Median Family Income Non-MSAs - LA		\$46,614	Median Gross Rent			\$772
			Families Below Poverty Level			15.3%
Source: 2015 ACS and 2020 D&B Data Due to rounding, totals may not equal 100.0% (*) The NA category consists of geographies that have not been assigned an income classification.						

Competition in the Shreveport-Bossier City, LA MSA is strong with 40 other financial institutions in the area including several large nationwide and regional banks. Based on the FDIC Deposit Market Share data as of June 30, 2020, FSNB has a 0.03 percent deposit market share in this MSA is ranked 37th out of all the institutions. The deposits account for 1.11 percent of the bank's total deposits and 2.85 percent of total bank loans. Primary competitors include Capital One, Barksdale Credit Union, and Regions Bank make up the top three banks with the greatest market shares at 15.01 percent, 12.34 percent, and 10.9 percent, respectively.

The Shreveport-Bossier City, LA MSA is located in northwestern Louisiana. The area is dominated by governmental industry. The largest employer in the MSA is Barksdale Air Force Base, followed by the city of Shreveport. The MSA also has major employers from educational, health services, and leisure and hospitality employers. Louisiana has had industries tied to natural resources, with mining and logging industries. Those industries have struggled throughout 2020, during the COVID-19 pandemic. The MSA has started transitioning its economy to advanced manufacturing, telecommunications, technology, cybersecurity, banking, health care, and medical research.

We consulted with two community contacts in the assessment area to gain a better understanding of the general community credit needs, as well as economic conditions. One community contact is a private-sector business, a lumber supply company that focuses on Coushatta and surrounding communities. The community contact serves the local community by providing building supplies for constructing homes and businesses. The other community contact is a non-profit organization that focuses on economic development for the community and marketing to attract and retain businesses for 14 parishes in north Louisiana. Both contacts indicated satisfactory involvement from the MSA's financial institutions, to support economic development and support lending needs. One contact mentioned that the Coushatta area

growth had remained stagnant, even with financial institutions remaining active in seeking out lending opportunities. The other contact mentioned the MSA in its entirety appears to have experienced growth from the information technology industry. The contact also mentioned that housing availability and value have been decent. The primary lending needs in the area are for small businesses.

Scope of Evaluation in Louisiana

The Shreveport-Bossier City, LA MSA was evaluated as a full-scope review. The bank's lending and community development tests cover the period January 1, 2019 through December 31, 2020. All qualified community development activities between those dates are included in this evaluation.

The bank's primary loan product during the evaluation period was consumer loans. Where relevant to our conclusions, we considered the performance context previously discussed in the "Description of the Institution", the "Description of the Institution's Operations", and other factors discussed in this section.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN LOUISIANA

LENDING TEST

The bank's performance under the Lending Test in Louisiana is rated Outstanding.

Conclusions for Area Receiving a Full-Scope Review

Based on a full-scope review, the bank's lending performance in the Shreveport-Bossier City, LA MSA is excellent.

Distribution of Loans by Income Level of the Geography

The bank exhibits excellent geographic distribution of loans in the Shreveport-Bossier City, LA MSA.

Consumer Loans

Refer to Table U in the state of Louisiana section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's consumer loan originations and purchases.

The bank's distribution of consumer loans in LMI geographies is excellent. The percent of bank consumer loans in low-income geographies exceeds the percent of households in low-income geographies in the AA. The percent of bank consumer loans in moderate-income geographies is near to the percent of households in moderate-income geographies in the AA.

Lending Gap Analysis

The OCC evaluated the lending distribution in the Shreveport-Bossier City, LA MSA to determine if any unexplained, conspicuous gaps existed. We reviewed summary reports, maps, and analyzed FSNB's lending activity over the evaluation period to identify any gaps in the geographic distribution of loans. We did not identify any unexplained, conspicuous gaps.

Distribution of Loans by Income Level of the Borrower

The bank exhibits an excellent distribution of loans to individuals of different income levels in the Shreveport-Bossier City, LA MSA.

Consumer Loans

Refer to Table V in the state of Louisiana section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's consumer loan originations and purchases.

The bank's distribution of consumer loans to LMI individuals is excellent. The percent of bank consumer loans to low-income borrowers exceeds the percent of low-income households in the AA. The percent of bank consumer loans to moderate-income borrowers also exceeds the percent of moderate-income households in the AA.

Responses to Complaints

There were no CRA-related complaints received by the bank, nor to the OCC, during the evaluation period.

COMMUNITY DEVELOPMENT TEST

The bank's performance under the Community Development Test in the state of Louisiana is rated Satisfactory.

Conclusions for Area Receiving a Full-Scope Review

Based on a full-scope review, the bank exhibits adequate responsiveness to community development needs in the Shreveport-Bossier City, LA MSA through qualified investments and community development services, considering the bank's capacity, community needs and the availability of opportunities for community development in the AA.

Number and Amount of Community Development Loans

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

<i>Community Development Loans</i>				
Assessment Area	Total			
	#	% of Total #	\$(000's)	% of Total \$
Full Scope				
Shreveport-Bossier City, LA MSA	0	0.0	0	0.0
Broader Statewide Area	1	100.0	187	100.0

Shreveport-Bossier City, LA MSA

CD lending in the full-scope AA reflects poor responsiveness to the CD lending and community needs of the AA given its capacity to lend. During the evaluation period, the bank did not make any loans in the AA. Contributing to the lack of loans is the fact that the bank's primary focus is retail and consumer lending. The bank also has strong competition from 40 other financial institutions in this AA and they operate three of their four branches inside Walmart stores. FSNB has a 0.03 percent deposit market share in this MSA.

Number and Amount of Qualified Investments

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

<i>Qualified Investments</i>										
Assessment Area	Prior Period*		Current Period		Total				Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	% of Total #	\$(000's)	% of Total \$	#	\$(000's)
Full Scope										
Shreveport-Bossier City, LA MSA	3	348	1	***	4	57.1	348	12.1	0	0
Broader Statewide Area	0	0	3	2,535	3	42.9	2,535	87.9	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.

*** Investments less than one thousand (donations).

Shreveport-Bossier City, LA MSA

Overall, the level of CD investments reflects adequate responsiveness to assessment area needs, given its capacity to make such CD investments. During the evaluation period, one donation under \$1,000 to a community organization provided funds for interactive programs designed to teach LMI students key economical, ethical, and work readiness skills to prepare them for success. FSNB had three prior period CRA-qualified mortgage-backed securities with an outstanding balance of \$348,000.

Extent to Which the Bank Provides Community Development ServicesShreveport-Bossier City, LA MSA

FSNB has demonstrated adequate responsiveness to the CD service needs in the Shreveport-Bossier City, LA MSA. Twenty employee hours were dedicated across four CD service events and reached 600 participants. This was a series of instructional classes with the Junior Achievement organization directed at children in elementary schools in the AA to discuss and understand money. Another course, also with Junior Achievement, was directed at high school students in the AA to teach the students how to open a business and seek funding from investors for the business. A majority of the students at each of the three schools visited are eligible for free or reduced lunch programs.

Broader Statewide Area - LA

In addition to the CD activities that benefit the bank's AAs, FSNB made one CD loan for \$187,000 and three qualified investments for \$2.5 million in Louisiana, in the broader statewide area that is outside of the bank's AA.

State Rating

State of Mississippi

CRA rating for the State of Mississippi: Satisfactory

The Lending Test is rated: Outstanding

The Community Development Test is rated: Satisfactory

The major factors that support this rating include:

- The bank exhibits excellent geographic distribution of loans in the Jackson, MS MSA.
- The bank exhibits an excellent distribution of loans to individuals of different income levels in the Jackson, MS MSA.
- The bank exhibits adequate responsiveness to community development needs in the Jackson, MS MSA through qualified investments and community development services, considering the bank's capacity, community needs and the availability of opportunities for community development in the AA.

Description of Institution's Operations in Mississippi

FSNB operates seven of its 85 branches (8.24 percent) in the state of Mississippi. All of the branches except one are located inside Walmart stores. One branch is a standalone branch and operates under a similar structure as the Walmart branches. The standalone branch has a drive-through as well. There are nine non-deposit taking ATMs in the state of Mississippi; however, two of those are included in the Multistate MSA of Memphis TN-MS-AR, and all are accessible 24 hours per day, seven days per week. Seven ATMs are included within this MSA. Two additional branches in the state of Mississippi are also included in the above referenced Multistate MSA.

FSNB's primary focus is meeting the needs of their military and civilian customers, including low- and moderate-income individuals. They offer a variety of loan and deposit products to meet the needs of the communities they serve.

Jackson, MS MSA

The Jackson, MS MSA consists of six entire counties. The MSA has 129 census tracts comprising 18 low-income tracts, 40 moderate-income tracts, 33 middle-income tracts, 37 upper-income tracts, and one unclassified income census tracts. The FSNB branches are located in six different counties: Copiah, Hinds, Madison, Rankin, Simpson, and Yazoo. One branch is located in a low-income tract, there are no branches in moderate-income tracts, two branches are located in middle-income tracts, and four branches are located in upper-income tracts. No branches were opened or closed during the exam review period.

Six of the seven branches in the MSA are located in Walmart stores. Walmart branches operate extended weekday hours and Saturdays to allow for more convenient and easier access to all customers. Seven non-deposit taking ATMs are located just outside the branches and are accessible 24 hours per day, seven days per week.

Table A – Demographic Information of the Assessment Area						
Assessment Area: Jackson MS MSA 2020						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	129	14.0	31.0	25.6	28.7	0.8
Population by Geography	577,070	9.9	26.0	30.1	33.2	0.8
Housing Units by Geography	236,284	10.1	27.1	30.5	32.4	0.0
Owner-Occupied Units by Geography	139,744	5.1	22.6	31.2	41.1	0.0
Occupied Rental Units by Geography	67,986	16.9	31.6	31.7	19.7	0.0
Vacant Units by Geography	28,554	17.9	38.2	24.2	19.6	0.1
Businesses by Geography	49,746	6.5	21.9	29.7	41.9	0.1
Farms by Geography	1,669	2.3	17.6	34.3	45.8	0.1
Family Distribution by Income Level	143,161	23.5	17.0	17.6	41.9	0.0
Household Distribution by Income Level	207,730	25.5	15.3	16.3	42.9	0.0
Median Family Income MSA - 27140 Jackson, MS MSA		\$55,459	Median Housing Value			\$128,836
			Median Gross Rent			\$795
			Families Below Poverty Level			15.0%
Source: 2015 ACS and 2020 D&B Data Due to rounding, totals may not equal 100.0% (*) The NA category consists of geographies that have not been assigned an income classification.						

Competition in the Jackson, MS MSA is strong with 47 other financial institutions in the area including several large nationwide and regional banks. Based on the FDIC Deposit Market Share data as of June 30, 2020, FSNB has a 0.04 percent deposit market share in this MSA and is ranked 40th. The deposits account for 2.80 percent of the bank's total deposits and 8.77 percent of total bank loans. Primary competitors include Trustmark, N.A., Regions Bank, and Bankplus, who make up the top three banks with the greatest market shares at 31.48 percent, 18.92 percent, and 12.11 percent, respectively.

The Jackson, MS MSA is located in the western portion of the state near the Louisiana border. Jackson is the state capital of Mississippi and the largest city. The state of Mississippi is the largest employer, followed by the University of Mississippi Medical Center, and the United States Government. Other large employers include Ingalls Shipbuilding, AT&T, and Chevron. Other leading industries in the region include educational and health services.

We consulted with two community contacts in the AA to gain a better understanding of the general community credit needs, as well as economic conditions. These community contacts are non-profit organizations that work with economic development for the community and small businesses. One contact serves the entire state of Mississippi and the other primarily serves the City of Jackson, MS. One contact indicated that the coastal area of Mississippi fared better during the COVID-19 pandemic than other areas of Southern Mississippi. The Biloxi-Gulfport area is more industrial and was not hit as hard as other areas such as Hattiesburg, which is a college town. Biloxi's focus is on tourism, and it was impacted significantly in the beginning of the pandemic with over 20,000 people temporarily unemployed. However, as COVID-19 restrictions have lifted the economy has begun to bounce back. One contact mentioned a need for small business lending and home mortgage lending. The other contact mentioned

the need for small business lending, specifically for startups and expansions. One contact indicated that banks are not adequately involved in serving the distressed low-income and moderate-income areas considering the opportunities available for small business and community development activities. Whereas the other contact mentioned that traditional lenders are best for existing businesses and indicated that non-traditional lenders need to do a better job of meeting the needs of start-ups and providing special funding programs for clients with less than perfect credit.

Scope of Evaluation in Mississippi

The Jackson, MS MSA was evaluated as a full-scope review. The bank's lending and community development tests cover the period January 1, 2019 through December 31, 2020. All qualified community development activities between those dates are included in this evaluation.

The bank's primary loan product during the evaluation period was consumer loans. Where relevant to our conclusions, we considered the performance context previously discussed in the "Description of the Institution", the "Description of the Institution's Operations", and other factors discussed in this section.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN MISSISSIPPI

LENDING TEST

The bank's performance under the Lending Test in Mississippi is rated Outstanding.

Conclusions for Area Receiving a Full-Scope Review

Based on a full-scope review, the bank's lending performance in the Jackson, MS MSA is excellent.

Distribution of Loans by Income Level of the Geography

The bank exhibits excellent geographic distribution of loans in the Jackson, MS MSA.

Consumer Loans

Refer to Table U in the state of Mississippi section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's consumer loan originations and purchases.

The bank's distribution of consumer loans in LMI geographies is excellent. The percent of bank consumer loans in low-income geographies exceeds the percent of households in low-income geographies in the AA. The percent of bank consumer loans in moderate-income geographies is near to the percent of households in moderate-income geographies in the AA.

Lending Gap Analysis

The OCC evaluated the lending distribution in the Jackson, MS MSA to determine if any unexplained, conspicuous gaps existed. We reviewed summary reports, maps, and analyzed FSNB's lending activity over the evaluation period to identify any gaps in the geographic distribution of loans. We did not identify any unexplained, conspicuous gaps.

Distribution of Loans by Income Level of the Borrower

The bank exhibits an excellent distribution of loans to individuals of different income levels in the Jackson, MS MSA.

Consumer Loans

Refer to Table V in the state of Mississippi section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's consumer loan originations and purchases.

The bank's distribution of consumer loans to LMI individuals is excellent. The percent of bank consumer loans to low-income borrowers exceeds the percent of low-income households in the AA. The percent of bank consumer loans to moderate-income borrowers also exceeds the percent of moderate-income households in the AA.

Responses to Complaints

There were no CRA-related complaints received by the bank, nor to the OCC, during the evaluation period.

COMMUNITY DEVELOPMENT TEST

The bank's performance under the Community Development Test in the state of Mississippi is rated Satisfactory.

Conclusions for Area Receiving a Full-Scope Review

Based on a full-scope review, the bank exhibits adequate responsiveness to community development needs in the Jackson, MS MSA through qualified investments and community development services, considering the bank's capacity, community needs and the availability of opportunities for community development in the AA.

Number and Amount of Community Development Loans

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

<i>Community Development Loans</i>				
Assessment Area	Total			
	#	% of Total #	\$(000's)	% of Total \$
Full Scope				
Jackson, MS MSA	0	0.0	0	0.0
Broader Statewide Area	5	100.0	1,462	100.0

Jackson, MS MSA

CD lending in the full-scope AA reflects poor responsiveness to the CD lending and community needs of the AA given its capacity to lend. During the evaluation period, the bank did not make any loans in the AA. Contributing to the lack of loans is the fact that the bank's primary focus is retail and consumer lending. The bank also has strong competition from 47 other financial institutions in this AA and they operate six of their seven branches inside Walmart stores. FSNB has a 0.04 percent deposit market share in this MSA.

Number and Amount of Qualified Investments

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

<i>Qualified Investments</i>										
Assessment Area	Prior Period*		Current Period		Total				Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	% of Total #	\$(000's)	% of Total \$	#	\$(000's)
Full Scope										
Jackson, MS MSA	2	2,305	2	8	4	57.1	2,313	86.9	0	0
Broader Statewide Area	0	0	3	349	3	42.9	349	13.1	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.

Jackson, MS MSA

Overall, the level of CD investments reflects excellent responsiveness to assessment area needs, given its capacity to make such CD investments. During the evaluation period, FSNB's investments included one SBA 7(a) security for \$8,037 and one donation under \$1,000 to the local housing authority for the agency's HUD Strong Families Initiative that aims to educate, empower, and elevate LMI parents to succeed in life by connecting them to opportunities and resources in their community. FSNB had two prior period CRA-qualified mortgage-backed securities with an outstanding balance of \$2.3 million.

Extent to Which the Bank Provides Community Development Services

Jackson, MS MSA

FSNB has demonstrated adequate responsiveness to the CD service needs in the Jackson, MS MSA. Two employee hours were dedicated and reached 15 participants at a local Boys and Girls Club that primarily serves LMI youth.

Broader Statewide Area - MS

In addition to the CD activities that benefit the bank's AAs, FSNB made five CD loans totaling \$1.5 million and three investments for \$349,000 in Mississippi, in the broader statewide area that is outside of the bank's AA.

State Rating

State of North Carolina

CRA rating for the State of North Carolina: Satisfactory

The Lending Test is rated: Outstanding

The Community Development Test is rated: Satisfactory

The major factors that support this rating include:

- The bank exhibits excellent geographic distribution of loans in the AAs.
- The bank exhibits an excellent distribution of loans to individuals of different income levels in the AAs.
- The bank exhibits adequate responsiveness to community development needs in the AAs through community development loans, qualified investments, and community development services, as appropriate, considering the bank's capacity, community needs and the availability of opportunities for community development in the AAs.

Description of Institution's Operations in North Carolina

FSNB operates 13 of its 85 branches (15.29 percent) in the state of North Carolina. All of the branches except one are located inside Walmart stores. One branch is a standalone branch and operates under a similar structure as the Walmart branches. The standalone branch has a drive-through as well. There are 11 non-deposit taking ATMs in the state of North Carolina, and all are accessible 24 hours per day, seven days per week.

The state of North Carolina has one full scope assessment area, Fayetteville, NC MSA, and five limited scope areas: Charlotte-Concord-Gastonia, NC-SC MSA, Jacksonville, NC MSA, Raleigh-Cary, NC MSA, Wilmington, NC MSA, and Non-MSA North Carolina.

Based on the FDIC Deposit Market Share data as of June 30, 2020, FSNB had a 0.01 percent deposit market share in NC and is ranked 67th out of 86 financial institutions doing business in the state. The deposits accounts for 10.0 percent of the bank's total deposits. Primary competitors include Bank of America, N.A., which ranked first in deposit market share (42.96 percent) with 138 offices, Truist Bank, which ranked second in deposit market share (23.4 percent) with 403 offices, and Wells Fargo Bank, National Association, which ranked third in deposit market share (12.4 percent) with 288 offices.

FSNB's primary focus is meeting the needs of their military and civilian customers, including low- and moderate-income individuals. They offer a variety of loan and deposit products to meet the needs of the communities they serve.

Fayetteville, NC MSA

The Fayetteville, NC MSA consists of three entire counties: Cumberland, Hoke, and Harnett. The MSA has 77 census tracts comprising two low-income tracts, 20 moderate-income tracts, 41 middle-income tracts, nine upper-income tracts, and five unclassified income census tracts. The FSNB branches are all located in Cumberland County. No branches are located in low-income tracts, two are located in moderate-

income tracts, two branches are located in middle-income tracts and one branch is located in an upper-income tract. No branches were opened or closed during the exam review period.

Four of the five branches in the MSA are located in Walmart stores. The other branch is a standalone branch. Walmart branches operate extended weekday hours and Saturdays to allow for more convenient and easier access to all customers. Four non-deposit taking ATMs are located just outside the branches and are accessible 24 hours per day, seven days per week. The stand-alone branch does not have an ATM.

Table A – Demographic Information of the Assessment Area						
Assessment Area: Fayetteville NC MSA 2020						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	77	2.6	26.0	53.2	11.7	6.5
Population by Geography	375,678	1.4	19.3	60.8	17.5	1.0
Housing Units by Geography	161,648	1.5	19.2	63.5	15.8	0.0
Owner-Occupied Units by Geography	75,727	0.6	14.4	62.6	22.3	0.0
Occupied Rental Units by Geography	63,906	2.5	24.2	64.3	9.0	0.0
Vacant Units by Geography	22,015	1.9	20.9	63.9	13.2	0.0
Businesses by Geography	24,098	2.2	20.0	57.3	20.3	0.2
Farms by Geography	664	0.6	14.8	61.0	23.6	0.0
Family Distribution by Income Level	92,857	21.7	17.7	19.5	41.1	0.0
Household Distribution by Income Level	139,633	22.8	17.1	18.4	41.8	0.0
Median Family Income MSA - 22180 Fayetteville, NC MSA		\$52,485	Median Housing Value			\$128,641
			Median Gross Rent			\$870
			Families Below Poverty Level			14.6%
Source: 2015 ACS and 2020 D&B Data Due to rounding, totals may not equal 100.0% (*) The NA category consists of geographies that have not been assigned an income classification.						

Competition in the Fayetteville, NC MSA is strong with 17 other financial institutions in the area including several large nationwide and regional banks. Based on the FDIC Deposit Market Share data as of June 30, 2020, FSNB has a 0.42 percent deposit market share in this MSA and is ranked 15th. The deposits account for 5.44 percent of the bank's total deposits and 10.69 percent of total bank loans. Primary competitors include Truist Bank, First Citizens Bank & Trust Company, Bank of America, N.A., who make up the top three banks with the greatest market shares at 28.17 percent, 15.24 percent, and 14.75 percent, respectively.

FSNB branches in Fayetteville operate in close proximity to Fort Bragg and Pope Army Airfield. The location of these military installations in relation to FSNB branches, leads to a significant portion of the customer base in Fayetteville being military service members. FSNB does not have any branches on the military bases in the Fayetteville MSA. The opportunity for residential, commercial, and other loans is very limited around military installations. These loans do not represent the primary credit need to members of the military. Housing subsidies are provided by the military to military personnel.

The Fayetteville, NC MSA is heavily reliant on the area military base. The governmental industry leads the local economy with Fort Bragg being the main employer. Other large employers include the Department of Defense, Cape Fear Valley Health System, Cumberland County Schools, Walmart Inc., and Goodyear Tire Co. While government does remain the top industry in the MSA area, education and health, and leisure and hospitality are other leading industries.

We consulted with one community contact in the AA to gain a better understanding of the general community credit needs, as well as economic conditions. This community contact is a non-profit housing organization which builds homes and provides interest-free loans to qualified low-income and moderate-income families. This contact serves Harnett County but mentioned that there are other chapters throughout the state. The contact indicated that there is a tremendous need for affordable housing for LMI families. The organization has a difficult time finding applicants that can meet the loan qualifications. The contact indicated the need for financial institutions to partner with them by forming loan pools to fund the construction of homes or purchasing land for construction.

Scope of Evaluation in North Carolina

The Fayetteville, NC MSA was evaluated as a full-scope review. The Charlotte-Concord-Gastonia, NC-SC MSA, Jacksonville, NC MSA, Raleigh-Cary, NC MSA, Wilmington, NC MSA, and Non-MSA North Carolina were evaluated using a limited-scope review. The bank's lending and community development tests cover the period January 1, 2019 through December 31, 2020. All qualified community development activities between those dates are included in this evaluation.

The bank's primary loan product during the evaluation period was consumer loans. Where relevant to our conclusions, we considered the performance context previously discussed in the "Description of the Institution", the "Description of the Institution's Operations", and other factors discussed in this section.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN NORTH CAROLINA

LENDING TEST

The bank's performance under the Lending Test in North Carolina is rated Outstanding.

Conclusions for Area Receiving a Full-Scope Review

Based on a full-scope review, the bank's lending performance in the state of North Carolina is excellent.

Distribution of Loans by Income Level of the Geography

The bank exhibits excellent geographic distribution of loans in the Fayetteville, NC MSA.

Consumer Loans

Refer to Table U in the state of North Carolina section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's consumer loan originations and purchases.

The bank's distribution of consumer loans in LMI geographies is excellent. The percent of bank consumer loans in low-income geographies exceeds the percent of households in low-income geographies in the AA. The percent of bank consumer loans in moderate-income geographies is near to the percent of households in moderate-income geographies in the AA.

Lending Gap Analysis

The OCC evaluated the lending distribution in the Fayetteville, NC MSA to determine if any unexplained, conspicuous gaps existed. We reviewed summary reports, maps, and analyzed FSNB's lending activity over the evaluation period to identify any gaps in the geographic distribution of loans. We did not identify any unexplained, conspicuous gaps.

Distribution of Loans by Income Level of the Borrower

The bank exhibits an excellent distribution of loans to individuals of different income levels in the Fayetteville, NC MSA.

Consumer Loans

Refer to Table V in the state of North Carolina section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's consumer loan originations and purchases.

The bank's distribution of consumer loans to LMI individuals is excellent. The percent of bank consumer loans to low-income borrowers exceeds the percent of low-income households in the AA. The percent of bank consumer loans to moderate-income borrowers also exceeds the percent of moderate-income households in the AA.

Responses to Complaints

There were no CRA-related complaints received by the bank, nor to the OCC, during the evaluation period.

Conclusions for Areas Receiving Limited Scope Reviews

Based on limited-scope reviews, the bank's performance under the Lending Test in the Jacksonville, NC MSA and the Non-MSA North Carolina is consistent with the full scope area. The bank's performance in the Charlotte-Concord-Gastonia, NC-SC MSA is weaker than their performance in the full scope area—the geographic distribution of consumer loans is adequate; the distribution of consumer loans to LMI individuals is excellent. The bank's performance in the Raleigh-Cary, NC MSA is weaker than their performance in the full scope area—the geographic distribution of consumer loans is excellent; the distribution of consumer loans to LMI individuals is reasonable. The bank's performance in the Wilmington, NC MSA is weaker than their performance in the full scope area—the geographic distribution of consumer loans is reasonable; the distribution of consumer loans to LMI individuals is reasonable.

COMMUNITY DEVELOPMENT TEST

The bank's performance under the Community Development Test in the state of North Carolina is rated Satisfactory.

Conclusions for Area Receiving a Full-Scope Review

Based on a full-scope review, the bank exhibits adequate responsiveness to community development needs in the Fayetteville, NC MSA through community development loans, qualified investments, and community development services, considering the bank's capacity, community needs and the availability of opportunities for community development in the AA.

Number and Amount of Community Development Loans

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

<i>Community Development Loans</i>				
	Total			
	#	% of Total #	\$(000's)	% of Total \$
Full Scope				
Fayetteville, NC MSA	0	0.0	0	0.0
Limited Scope				
Charlotte-Concord-Gastonia, NC-SC MSA	1	16.7	1,000	25.9
Jacksonville, NC MSA	2	33.3	1,600	41.5
Raleigh-Cary, NC MSA	2	33.3	400	10.4
Wilmington, NC MSA	0	0.0	0	0.0
Non-MSA North Carolina	0	0.0	0	0.0
Broader Statewide Area	1	16.7	859	22.2

Fayetteville, NC MSA

CD lending in the full-scope AA reflects poor responsiveness to the CD lending and community needs of the AA given its capacity to lend. During the evaluation period, the bank did not make any loans in the AA. Contributing to the lack of loans is the fact that the bank's primary focus is retail and consumer lending. The bank also has strong competition from 17 other financial institutions in this AA and they operate four of the five branches inside Walmart stores. FSNB has a 0.42 percent deposit market share in this MSA.

Number and Amount of Qualified Investments

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

Qualified Investments										
Assessment Area	Prior Period*		Current Period		Total				Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	% of Total #	\$(000's)	% of Total \$	#	\$(000's)
Full Scope										
Fayetteville, NC MSA	2	129	0	0	2	8.7	129	10.8	0	0
Limited Scope										
Charlotte-Concord-Gastonia, NC-SC MSA	2	308	5	33	7	30.4	341	28.5	0	0
Jacksonville, NC MSA	0	0	1	36	1	4.4	36	3.0	0	0
Raleigh-Cary, NC MSA	1	87	2	66	3	13.1	153	12.8	0	0
Wilmington, NC MSA	2	383	3	41	5	21.7	424	35.4	0	0
Non-MSA North Carolina	0	0	0	0	0	0.0	0	0.0	0	0
Broader Statewide Area	0	0	5	114	5	21.7	114	9.5	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.

Fayetteville, NC MSA

Overall, the level of CD investments reflects adequate responsiveness to assessment area needs, given its capacity to make such CD investments. FSNB had two prior period CRA-qualified mortgage-backed securities with an outstanding balance of \$129,000.

Extent to Which the Bank Provides Community Development Services

Fayetteville, NC MSA

FSNB has demonstrated very poor responsiveness to the CD service needs in the Fayetteville, NC MSA. No CD services were recorded in this AA during the evaluation period.

Conclusions for Areas Receiving Limited Scope Reviews

Based on a limited-scope review, the bank's performance under the CD Test in the Charlotte-Concord-Gastonia, NC-SC MSA is stronger than their performance in the full scope area. There is a reasonable level of CD loans and investments compared to the full-scope AA; however, there were no CD services.

Based on limited-scope reviews, the bank's performance under the CD Test in the Jacksonville, NC MSA, Raleigh-Cary, NC MSA, and Wilmington, NC MSA is stronger than their performance in the full scope area. There is a reasonable level of CD loans, investments, and services in these AAs compared to the full-scope AA.

Based on a limited-scope review, the bank's performance under the CD Test in the Non-MSA North Carolina is consistent with their performance in the full scope area.

The bank's performance in the limited-scope AAs had a positive impact on the CD Test rating for North Carolina.

Broader Statewide Area - NC

In addition to the CD activities that benefit the bank's AAs, FSNB made one CD loan for \$859,000 in North Carolina and five qualified investments for \$114,000 in North Carolina, in the broader statewide area that is outside of the bank's AAs.

State Rating

State of Oklahoma

CRA rating for the State of Oklahoma: Satisfactory

The Lending Test is rated: Outstanding

The Community Development Test is rated: Satisfactory

The major factors that support this rating include:

- The bank exhibits excellent geographic distribution of loans in the Lawton, OK MSA.
- The bank exhibits an excellent distribution of loans to individuals of different income levels in the Lawton, OK MSA.
- The bank exhibits adequate responsiveness to community development needs in the Lawton, OK MSA through community development loans, qualified investments, and community development services, considering the bank's capacity, community needs and the availability of opportunities for community development in the AA.

Description of Institution's Operations in Oklahoma

FSNB operates five of its 85 branches (5.88 percent) in the state of Oklahoma. Two of the branches are located on the Fort Sill Army Post and the other three are standalone branches. The location on Fort Sill in the Post Exchange is open seven days a week, whereas the location in the Welcome Center is open five days a week. The standalone branches operate six days a week and are closed on Sundays. The standalone branches have drive-through service as well. There are 13 non-deposit taking ATMs in the state of Oklahoma, and all are accessible 24 hours per day, seven days per week.

FSNB's primary focus is meeting the needs of their military and civilian customers, including low- and moderate-income individuals. They offer a variety of loan and deposit products to meet the needs of the communities they serve.

Lawton, OK MSA

The Lawton, OK MSA consists of two entire counties: Comanche and Cotton. The MSA has 34 census tracts comprising three low-income tracts, 10 moderate-income tracts, 13 middle-income tracts, seven upper-income tracts, and one unclassified income census tract. No branches are located in low-income tracts, two are located in moderate-income tracts, two branches are located in middle-income tracts and one branch is located in an upper-income tract. No branches were opened during the review period; however, one branch was closed.

Fort Sill serves as the Army's training base for field artillery, air defense artillery, and electronic warfare. Approximately 300,000 soldiers attend basic training at Fort Sill annually. Until 2017, FSNB would brief new recruits as they entered basic training. This provided opportunities to open new accounts for military members. FSNB personnel no longer attend these training briefings. However, new recruits can still open an account with FSNB as they continue to have a presence on post.

FSNB remains primarily a military bank in the Lawton, OK MSA. Branch access to locations on military installations are accessible primarily to service members and authorized visitors. Branch access to the general public is provided through the other branches in the MSA, located off post. During the examination period one of the standalone branches was closed. There are no locations within Walmart stores in this MSA. The bank's operations, outside of the military installation, in Lawton and the state of Oklahoma are limited in order to not compete with their sister bank, which has joint ownership.

Table A – Demographic Information of the Assessment Area						
Assessment Area: Lawton OK MSA 2020						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	34	8.8	29.4	38.2	20.6	2.9
Population by Geography	131,643	6.1	22.7	43.8	27.3	0.1
Housing Units by Geography	54,500	6.6	24.0	41.8	27.6	0.0
Owner-Occupied Units by Geography	25,725	3.9	15.6	43.2	37.2	0.0
Occupied Rental Units by Geography	19,944	9.6	32.1	40.0	18.2	0.0
Vacant Units by Geography	8,831	7.7	30.0	41.9	20.5	0.0
Businesses by Geography	7,160	4.9	31.8	35.2	27.9	0.2
Farms by Geography	361	2.2	12.5	33.2	52.1	0.0
Family Distribution by Income Level	30,017	22.6	18.1	18.7	40.7	0.0
Household Distribution by Income Level	45,669	23.8	16.3	17.8	42.1	0.0
Median Family Income MSA - 30020 Lawton, OK MSA		\$57,051	Median Housing Value			\$108,669
			Median Gross Rent			\$767
			Families Below Poverty Level			13.9%
Source: 2015 ACS and 2020 D&B Data Due to rounding, totals may not equal 100.0% (*) The NA category consists of geographies that have not been assigned an income classification.						

Competition in the Lawton, OK MSA is strong with 16 other financial institutions in the area including several regional banks. Based on the FDIC Deposit Market Share data as of June 30, 2020, FSNB has a 9.62 percent deposit market share in this MSA and is ranked 6th. The deposits account for 58.37 percent of the bank's total deposits and 16.71 percent of total bank loans. Primary competitors include Liberty National Bank, Arvest Bank, and Fort Sill Credit Union, First Citizens Bank & Trust Company, Bank of America, N.A., who make up the top five banks with the greatest market shares at 18.66 percent, 13.53 percent, and 13.05 percent, respectively.

The opportunity for residential, commercial, and other loans is very limited around military installations. These loans do not represent the primary credit need to members of the military. Housing subsidies are provided by the military to military personnel. FSNB's customer base in this area is primarily enlisted soldiers, whose income falls within the low-income and moderate-income categories.

Fort Sill is primarily a training base for Army service members, soldiers are not typically permanently stationed at Fort Sill. After training they move on to their next duty stations. When an account is opened at a branch, the account is always attributed to the branch it originated. Due to the transient nature of military service, many accounts and deposits attributed to the Lawton, OK assessment area belong to

customers who do not live in the assessment area. Furthermore, many loans that are attributed to the Lawton assessment area are to customers who do not live in the Lawton area anymore.

Fort Sill Army Post is the largest employer in the MSA, providing government jobs. While government does remain the top industry in the MSA area, education and health, and leisure and hospitality are other leading industries. Additional large employers include Goodyear Tire and Rubber Company, Lawton Public Schools, and Comanche County Memorial Hospital.

We consulted with one community contact in the AA to gain a better understanding of the general community credit needs, as well as economic conditions. This community contact is a state agency that provides agricultural services to rural communities. This contact serves all of Cotton County. The contact indicated that the local economy is strained. The area is very rural with 50 percent if not more, by the contacts estimate, of residents struggling to meet their needs. The contact mentioned that housing is difficult to obtain and there are very few houses being built or renovated. Many of the younger people are moving away more towards the City of Lawton. The contact noted that engagement from local financial institutions was strong. Due to banking competition in the area, rates have been lower for customers and there are more opportunities for customers to get their banking needs met. The contact mentioned that financial institutions have a strong presence within the community and do their best to meet the needs of the community.

Scope of Evaluation in Oklahoma

The Lawton, OK MSA was evaluated as a full-scope review. The bank's lending and community development tests cover the period January 1, 2019 through December 31, 2020. All qualified community development activities between those dates are included in this evaluation.

The bank's primary loan product during the evaluation period was consumer loans. Where relevant to our conclusions, we considered the performance context previously discussed in the "Description of the Institution", the "Description of the Institution's Operations", and other factors discussed in this section.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN OKLAHOMA

LENDING TEST

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

Conclusions for Area Receiving a Full-Scope Review

Based on a full-scope review, the bank's lending performance in the Lawton, OK MSA is excellent.

Distribution of Loans by Income Level of the Geography

The bank exhibits excellent geographic distribution of loans in the Lawton, OK MSA.

Consumer Loans

Refer to Table U in the state of Oklahoma section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's consumer loan originations and purchases.

The bank's distribution of consumer loans in LMI geographies is excellent. The percent of bank consumer loans in low-income geographies exceeds the percent of households in low-income geographies in the AA. The percent of bank consumer loans in moderate-income geographies exceeds the percent of households in moderate-income geographies in the AA.

Lending Gap Analysis

The OCC evaluated the lending distribution in the Lawton, OK MSA to determine if any unexplained, conspicuous gaps existed. We reviewed summary reports, maps, and analyzed FSNB's lending activity over the evaluation period to identify any gaps in the geographic distribution of loans. We did not identify any unexplained, conspicuous gaps.

Distribution of Loans by Income Level of the Borrower

The bank exhibits an excellent distribution of loans to individuals of different income levels in the Lawton, OK MSA.

Consumer Loans

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

The bank's distribution of consumer loans to LMI individuals is excellent. The percent of bank consumer loans to low-income borrowers exceeds the percent of low-income households in the AA. The percent of bank consumer loans to moderate-income borrowers also exceeds the percent of moderate-income households in the AA.

Responses to Complaints

There were no CRA-related complaints received by the bank, nor to the OCC, during the evaluation period.

COMMUNITY DEVELOPMENT TEST

The bank's performance under the Community Development Test in the state of Oklahoma is rated Satisfactory.

Conclusions for Area Receiving a Full-Scope Review

Based on a full-scope review, the bank exhibits adequate responsiveness to community development needs in the Lawton, OK MSA through community development loans, qualified investments, and community development services, considering the bank's capacity, community needs and the availability of opportunities for community development in the AA.

Number and Amount of Community Development Loans

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

<i>Community Development Loans</i>				
Assessment Area	Total			
	#	% of Total #	\$(000's)	% of Total \$
Full Scope				
Lawton, OK MSA	4	66.7	2,001	66.1
Broader Statewide Area	2	33.3	1,025	33.9

Lawton, OK MSA

CD lending in the full-scope AA reflects adequate responsiveness to the CD lending and community needs of the AA given its capacity to lend. During the evaluation period, four CD loans totaling \$2 million were made to support economic development and revitalization in the AA. One CD loan was for a development project in a moderate-income geography that will create LMI jobs when complete.

Number and Amount of Qualified Investments

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

<i>Qualified Investments</i>										
Assessment Area	Prior Period*		Current Period		Total				Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	% of Total #	\$(000's)	% of Total \$	#	\$(000's)
Full Scope										
Lawton, OK MSA	1	180	21	18	22	84.6	198	64.0	0	0
Statewide	0	0	4	112	4	15.4	112	36.0	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.

Lawton, OK MSA

Overall, the level of CD investments reflects adequate responsiveness to assessment area needs, given its capacity to make such CD investments. During the evaluation period, FSNB's investments included 21 CD donations totaling \$18,250. These donations focused on donations to organizations that help support military families, military veterans, and other LMI families and individuals in the Lawton area. These donations to organizations that support military families and provide services like income based childcare and resume classes for military spouses. Donations to veteran support organizations fund services that

help homeless veterans receive healthcare, food, and other services that help returning military veterans. FSNB had one prior period CRA-qualified mortgage-backed securities with an outstanding balance of \$180,000.

Extent to Which the Bank Provides Community Development Services

Lawton, OK MSA

FSNB has demonstrated adequate responsiveness to the CD service needs in the Lawton, OK MSA. Fifty-nine employee hours were dedicated between six CD services reaching 175 participants focusing on financial literacy and defenses against identity theft, particularly targeting senior citizens. The organizations that partnered with the bank support services to LMI families and individuals. Other CD services of bank staff include board memberships for organizations that support educational services to LMI children, advocate for abused and neglected children in juvenile court and foster care, and community health initiatives.

Broader Statewide Area - OK

In addition to the CD activities that benefit the bank's AAs, FSNB made two CD loans totaling \$1 million and four qualified investments for \$112,000 in Oklahoma, in the broader statewide area that is outside of the bank's AAs.

State Rating

State of Tennessee

CRA rating for the State of Tennessee: Satisfactory

The Lending Test is rated: Outstanding

The Community Development Test is rated: Satisfactory

The major factors that support this rating include:

- The bank exhibits excellent geographic distribution of loans in the AAs.
- The bank exhibits an excellent distribution of loans to individuals of different income levels in the AAs.
- The bank exhibits adequate responsiveness to community development needs in the AAs through community development loans, qualified investments, and community development services, considering the bank's capacity, community needs and the availability of opportunities for community development in the AAs.

Description of Institution's Operations in Tennessee

FSNB operates 38 of its 85 branches (44.71 percent) in the state of Tennessee; however, 10 of those branches are included in the Memphis TN-MS-AR MMSA, which crosses state lines. All of the branches except one are located inside Walmart stores. One branch is a standalone branch and operates under a similar structure as the Walmart branches. There are 26 non-deposit taking ATMs in the state of Tennessee and all are accessible 24 hours per day, seven days per week. FSNB has not opened or closed any branches in the state during the review period.

The state of Tennessee has one full scope assessment area, Nashville-Davidson-Murfreesboro-Franklin, TN MSA and five limited scope assessment areas: Clarksville TN-KY MMSA, Jackson, TN MSA, Johnson City-Kingsport-Bristol, TN-VA CSA, Knoxville-Morristown-Sevierville, TN CSA, and Non-MSA Tennessee.

Based on the FDIC Deposit Market Share data as of June 30, 2020, FSNB had a 0.03 percent deposit market share in Tennessee and is ranked 160th out of 180 financial institutions doing business in the state. The deposits accounts for 10.46 percent of the bank's total deposits, excluding deposits from the Memphis TN-MS-AR MSA. Primary competitors include First Horizon Bank, which ranked first in deposit market share (15.93 percent) with 155 offices, Regions Bank, which ranked second in deposit market share (11.52 percent) with 215 offices, and Pinnacle Bank, which ranked third in deposit market share (9.65 percent) with 46 offices.

FSNB's primary focus is meeting the needs of their military and civilian customers, including low- and moderate-income individuals. They offer a variety of loan and deposit products to meet the needs of the communities they serve.

Nashville-Davidson-Murfreesboro-Franklin, TN MSA

FSNB operates 12 of its 85 branches (14.12 percent) in this assessment area. All FSNB branches in the MSA are located in Walmart stores with the exception of the Antioch, TN standalone branch, which has a similar operating structure as the Walmart branches. Walmart branches operate extended weekday hours and Saturdays to allow for more convenient and easier access to all customers. Eleven non-deposit taking ATMs are located just outside the branches and are accessible 24 hours per day, seven days per week.

Nashville-Davidson-Murfreesboro-Franklin, TN MSA consists of 14 counties in their entirety. The MSA has 374 census tracts comprising 34 low-income tracts, 94 moderate-income tracts, 144 middle-income tracts, 97 upper-income tracts, and five unclassified income census tracts. Four branches are located in a low- or moderate-income tracts. Five branches are in a middle-income census tracts. Three branches are located in an upper-income level census tract. Four of the branches in a middle-upper income tract, border a low-moderate income tract. One branch that is located in an upper-income tract borders a moderate-income tract. No tracts had income level changes during the 2019-2020 census. FSNB did not open or close any branches in the MSA during the review period. FSNB entered the MSA market in 2006, opening three branches. FSNB then opened five branches in 2007, one in 2008, two in 2009, and one branch in 2010.

Table A – Demographic Information of the Assessment Area						
Assessment Area: Nashville-Davidson-Murfreesboro-Franklin MSA 2020						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	380	8.9	24.7	39.5	25.5	1.3
Population by Geography	1,761,848	6.6	24.5	40.9	27.6	0.3
Housing Units by Geography	723,182	7.1	25.5	40.9	26.6	0.1
Owner-Occupied Units by Geography	436,486	3.3	19.2	44.6	32.8	0.1
Occupied Rental Units by Geography	228,395	13.2	35.8	34.4	16.6	0.0
Vacant Units by Geography	58,301	11.1	31.6	38.4	18.9	0.1
Businesses by Geography	163,949	7.5	20.4	31.3	40.0	0.8
Farms by Geography	4,202	3.3	19.2	46.2	30.9	0.4
Family Distribution by Income Level	438,865	20.9	17.8	20.4	40.9	0.0
Household Distribution by Income Level	664,881	23.0	16.9	18.2	41.9	0.0
Median Family Income MSA - 34980 Nashville-Davidson--Murfreesboro-- Franklin, TN MSA		\$66,441	Median Housing Value			\$197,140
Median Family Income Non-MSAs - TN		\$46,066	Median Gross Rent			\$887
			Families Below Poverty Level			10.1%
Source: 2015 ACS and 2020 D&B Data						
Due to rounding, totals may not equal 100.0%						
(*) The NA category consists of geographies that have not been assigned an income classification.						

Competition in the Nashville-Davidson-Murfreesboro-Franklin, TN MSA is strong with 87 other financial institutions in the area including several large nationwide and regional banks. Based on the FDIC Deposit Market Share data as of June 30, 2020, FSNB has a 0.02 percent deposit market share in this MSA and is ranked 77th out of 87 financial institutions doing business in the MSA. The deposits account for 4.96

percent of the bank's total deposits and loans account for 8.81 percent of total bank loans. Primary competitors include Pinnacle Bank, Bank of America, N.A., and Regions Bank who make up the top three banks with the greatest deposit market shares at 16.46 percent, 16.16 percent, and 11.61 percent, respectively.

The Nashville-Davidson-Murfreesboro-Franklin, TN MSA is located in central Tennessee. Major industries in the MSA include educational and health services, professional and business Services, and government. Vanderbilt University Medical Center combined with Vanderbilt University is the largest employer in the MSA. Nissan of North America and HCA Healthcare are also major employers in the MSA.

We consulted with two community contacts in the assessment area to gain a better understanding of the general community credit needs, as well as economic conditions. These community contacts were local government entities focused on economic development in their respective communities. One contact serves the city of Gallatin in Sumner County. The other contact serves all of Wilson County. Both contacts mentioned the areas they serve have experienced good economic growth. It was also mentioned by one contact that unemployment was low. One contact was not familiar with the involvement from financial institutions in the community. The other contact mentioned that financial institutions were meeting the community's needs. They added that, from their perspective, non-profits have good relationships with local lenders.

Scope of Evaluation in Tennessee

The Nashville-Davidson-Murfreesboro-Franklin, TN MSA was evaluated as a full-scope review. The Clarksville TN-KY MSA, Jackson, TN MSA, Johnson City-Kingsport-Bristol, TN-VA CSA, Knoxville-Morristown-Sevierville, TN CSA, Non-MSA Tennessee were evaluated using a limited-scope review. The bank's lending and community development tests cover the period January 1, 2019 through December 31, 2020. All qualified community development activities between those dates are included in this evaluation.

The bank's primary loan product during the evaluation period was consumer loans. Where relevant to our conclusions, we considered the performance context previously discussed in the "Description of the Institution", the "Description of the Institution's Operations", and other factors discussed in this section.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN TENNESSEE

LENDING TEST

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

Conclusions for Area Receiving a Full-Scope Review

Based on a full-scope review, the bank's lending performance in the Nashville-Davidson-Murfreesboro-Franklin, TN MSA is excellent.

Distribution of Loans by Income Level of the Geography

The bank exhibits excellent geographic distribution of loans in the Nashville-Davidson-Murfreesboro-Franklin, TN MSA.

Consumer Loans

Refer to Table U in the state of Tennessee section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's consumer loan originations and purchases.

The bank's distribution of consumer loans in LMI geographies is excellent. The percent of bank consumer loans in low-income geographies exceeds the percent of households in low-income geographies in the AA. The percent of bank consumer loans in moderate-income geographies exceeds the percent of households in moderate-income geographies in the AA.

Lending Gap Analysis

The OCC evaluated the lending distribution in the Nashville-Davidson-Murfreesboro-Franklin, TN MSA to determine if any unexplained, conspicuous gaps existed. We reviewed summary reports, maps, and analyzed FSNB's lending activity over the evaluation period to identify any gaps in the geographic distribution of loans. We did not identify any unexplained, conspicuous gaps.

Distribution of Loans by Income Level of the Borrower

The bank exhibits an excellent distribution of loans to individuals of different income levels in the Nashville-Davidson-Murfreesboro-Franklin, TN MSA.

Consumer Loans

Refer to Table V in the state of Tennessee section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's consumer loan originations and purchases.

The bank's distribution of consumer loans to LMI individuals is excellent. The percent of bank consumer loans to low-income borrowers exceeds the percent of low-income households in the AA. The percent of bank consumer loans to moderate-income borrowers also exceeds the percent of moderate-income households in the AA.

Responses to Complaints

There were no CRA-related complaints received by the bank, nor to the OCC, during the evaluation period.

Conclusions for Areas Receiving Limited Scope Reviews

Based on limited-scope reviews, the bank's performance in the Jackson, TN MSA, Johnson City-Kingsport-Bristol, TN-VA CSA and Non-MSA Tennessee is consistent with their performance in the full scope area. The bank's performance under the Lending Test in the Clarksville TN-KY MSA and the Knoxville-Morristown-Sevierville, TN CSA is weaker than their performance in the full scope area—the

geographic distribution of consumer loans is reasonable; the distribution of consumer loans to LMI individuals is excellent.

COMMUNITY DEVELOPMENT TEST

The bank's performance under the Community Development Test in the state of Tennessee is rated Satisfactory.

Conclusions for Area Receiving a Full-Scope Review

Based on a full-scope review, the bank exhibits adequate responsiveness to community development needs in the Nashville-Davidson-Murfreesboro-Franklin, TN MSA through community development loans, qualified investments, and community development services, considering the bank's capacity, community needs and the availability of opportunities for community development in the AA.

Number and Amount of Community Development Loans

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

<i>Community Development Loans</i>				
Assessment Area	Total			
	#	% of Total #	\$(000's)	% of Total \$
Full Scope		0		
Nashville-Davidson-Murfreesboro-Franklin, TN MSA	1	100.0	138	100.0
Limited Scope				
Clarksville TN-KY MMSA (TN only)	0	0.0	0	0.0
Jackson, TN MSA	0	0.0	0	0.0
Johnson City-Kingsport-Bristol, TN-VA CSA	0	0.0	0	0.0
Knoxville-Morristown-Sevierville	0	0.0	0	0.0
Non-MSA Tennessee	0	0.0	0	0.0

Nashville-Davidson-Murfreesboro-Franklin, TN MSA

CD lending in the full-scope AA reflects adequate responsiveness to the CD lending and community needs of the AA given its capacity to lend. During the evaluation period, a \$138,000 SBA guaranteed loan was purchased for the purpose of supporting permanent LMI job creation in a moderate-income geography during the COVID-19 pandemic.

Number and Amount of Qualified Investments

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

<i>Qualified Investments</i>										
Assessment Area	Prior Period*		Current Period		Total				Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	% of Total #	\$(000's)	% of Total \$	#	\$(000's)
Full Scope										
Nashville-Davidson-Murfreesboro-Franklin, TN MSA	3	555	2	24	5	21.7	579	68.7	0	0
Limited Scope										
Clarksville TN-KY MMSA (TN only)	0	0	0	0	0	0.0	0	0.0	0	0
Jackson, TN MSA	1	98	1	9	2	8.7	107	12.7	0	0
Johnson City-Kingsport-Bristol, TN-VA CSA	2	110	3	1	5	21.7	111	13.3	0	0
Knoxville-Morristown-Sevierville	0	0	4	7	4	17.4	7	0.9	0	0
Non-MSA Tennessee	0	0	5	1	5	21.7	1	0.1	0	0
Broader Statewide Area			2	36	2	8.7	36	4.3	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.

Nashville-Davidson-Murfreesboro-Franklin, TN MSA

Overall, the level of CD investments reflects adequate responsiveness to assessment area needs, given its capacity to make such CD investments. During the evaluation period, FSNB's investments included two CRA-qualified SBA 7(a) securities for \$24,000. FSNB had three prior period CRA-qualified mortgage-backed securities with an outstanding balance of \$555,000.

Extent to Which the Bank Provides Community Development Services

Nashville-Davidson-Murfreesboro-Franklin, TN MSA

FSNB has demonstrated adequate responsiveness to the CD service needs in the Nashville-Davidson-Murfreesboro-Franklin, TN MSA. Twenty-four employee hours were dedicated in one CD service as part of a recurring financial literacy course that reached 300 participants at two elementary schools that primarily serve LMI students.

Broader Statewide Area - TN

In addition to the CD activities that benefit the bank's AAs, FSNB made two qualified investments for \$36,000 in Tennessee, in the broader statewide area that is outside of the bank's AAs.

Conclusions for Areas Receiving Limited Scope Reviews

Based on limited-scope reviews, the bank's performance under the CD Test in the Clarksville TN-KY MSA, Jackson, TN MSA, Johnson City-Kingsport-Bristol, TN-VA CSA, Knoxville-Morristown-Sevierville, TN CSA and Non-MSA Tennessee is weaker than the bank's performance in the full scope area. None of the limited-scope AAs had CD loans. The Jackson, TN MSA and Johnson City-Kingsport-Bristol, TN-VA CSA had higher levels of qualified investments relative to the bank's market size; the Clarksville TN-KY MSA, Knoxville-Morristown-Sevierville, TN CSA and Non-MSA Tennessee had few or no qualified investments. The bank had a relatively high level of CD services in the Knoxville-Morristown-Sevierville, TN CSA, Johnson City-Kingsport-Bristol, TN-VA CSA, Jackson, TN MSA, and the Non-MSA Tennessee. There were no CD services in the Clarksville, TN-KY MSA.

State Rating

State of Texas

CRA rating for the State of Texas: Satisfactory

The Lending Test is rated: Outstanding

The Community Development Test is rated: Satisfactory

The major factors that support this rating include:

- The bank exhibits excellent geographic distribution of loans in the AA.
- The bank exhibits an excellent distribution of loans to individuals of different income levels in the AA.
- The bank exhibits adequate responsiveness to community development needs in the AA through qualified investments and community development services, considering the bank's capacity, community needs and the availability of opportunities for community development in the AA.

Description of Institution's Operations in Texas

FSNB operates two of its 85 branches (2.35 percent) in the state of Texas. One branch is located inside the base exchange of Sheppard Air Force Base. The other branch is a standalone branch in Wichita Falls, TX. There are eight non-deposit taking ATMs in the state of Texas and all are accessible 24 hours per day, seven days per week. FSNB entered the Wichita Falls market in 1988 with one standalone branch. FSNB then opened the branch located on Sheppard Air Force Base in 1995. An additional standalone branch was opened in 2012. One standalone location was closed during the previous review period.

FSNB's primary focus is meeting the needs of their military and civilian customers, including low- and moderate-income individuals. They offer a variety of loan and deposit products to meet the needs of the communities they serve.

Wichita Falls, TX MSA

The Wichita Falls, TX MSA consists of three entire counties. The MSA has 43 census tracts comprising two low-income tracts, 11 moderate-income tracts, 17 middle-income tracts, 12 upper-income tracts, and one unclassified income census tract. The FSNB branches are located in three different counties: Archer, Clay, and Wichita. No branches are located in low-income tracts, but the branch on Sheppard Air Force Base is located adjacent to a low-income tract and services mainly military members, majority of which are low- to moderate-income individuals.

One branch is located inside the base exchange of Sheppard Air Force Base. The Sheppard Air Force Base branch operates seven-days a week to offer more convenient access to military customers. The other branch is a standalone branch in Wichita Falls, TX, and operates during normal business hours, Monday through Saturday. Eight non-deposit taking ATMs are around the Wichita Falls, TX area and are accessible 24 hours per day, seven days per week.

Table A – Demographic Information of the Assessment Area						
Assessment Area: Wichita Falls TX MSA 2020						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	43	9.3	27.9	30.2	30.2	2.3
Population by Geography	151,215	5.4	21.2	35.1	38.3	0.0
Housing Units by Geography	65,162	6.1	23.5	34.5	35.9	0.0
Owner-Occupied Units by Geography	35,703	5.0	19.6	36.8	38.7	0.0
Occupied Rental Units by Geography	19,734	7.4	28.8	26.9	37.0	0.0
Vacant Units by Geography	9,725	7.8	27.3	41.6	23.3	0.0
Businesses by Geography	9,695	4.1	27.9	24.6	43.3	0.1
Farms by Geography	407	2.7	13.5	46.7	37.1	0.0
Family Distribution by Income Level	36,174	21.5	16.8	20.5	41.3	0.0
Household Distribution by Income Level	55,437	23.8	16.3	18.3	41.6	0.0
Median Family Income MSA - 48660 Wichita Falls, TX MSA		\$57,690	Median Housing Value			\$95,990
			Median Gross Rent			\$758
			Families Below Poverty Level			12.3%
Source: 2015 ACS and 2020 D&B Data Due to rounding, totals may not equal 100.0% (*) The NA category consists of geographies that have not been assigned an income classification.						

Competition in the Wichita Falls, TX MSA is strong with 20 other financial institutions in the area including several large nationwide and regional banks. Based on the FDIC Deposit Market Share data as of June 30, 2020, FSNB has a 0.80 percent deposit market share in this MSA and is not ranked on the report. The deposits account for 8.25 percent of the bank's total deposits and 3.08 percent of total bank loans. Primary competitors include American National Bank & Trust, Wells Fargo, N.A. and First National Bank, who make up the top three banks with the greatest market shares at 18.90 percent, 15.04 percent, and 11.01 percent, respectively.

The Wichita Falls, TX MSA is located in northern Texas. The MSA's primary employer is the Air Force and supporting agencies on Sheppard Air Force Base. The MSA also has a few other large employment sectors including education, health services, and retail trade. Employers in these sectors include: the Wichita Falls ISD, United Regional Healthcare, and Midwestern State University.

We were unable to engage community contacts for the MSA. However, we reviewed housing and economic development resources to gain a better understanding of the general community development needs, as well as economic conditions. The MSA's HUD Consolidated Plan for 2020-2024 noted that the lowest income households in the AA have the least available housing inventory. There are no homes priced at a level affordable to purchase for individuals earning below 30 percent of the Area Median Income (AMI), leaving rental housing as the only option. But only 8 percent of rental units are affordable to those earning less than 30 percent of the AMI. In some areas of Wichita Falls, the housing stock exceeds 50 years of age, and the AMI of residents is less than 50 percent of the AMI. There is a need for affordable housing development and home improvement financing for LMI families. The City also noted the need for proactive outreach to banks and lending institutions to encourage them to offer financial products addressing the needs of households with poor or marginal credit.

Scope of Evaluation in Texas

The Wichita Falls, TX MSA was evaluated using a limited-scope review. The bank's lending and community development tests cover the period January 1, 2019 through December 31, 2020. All qualified community development activities between those dates are included in this evaluation.

The bank's primary loan product during the evaluation period was consumer loans. Where relevant to our conclusions, we considered the performance context previously discussed in the "Description of the Institution", the "Description of the Institution's Operations", and other factors discussed in this section.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN TEXAS

LENDING TEST

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

Conclusions for Area Receiving a Full-Scope Review

Based on a full-scope review, the bank's lending performance in the Wichita Falls, TX MSA is excellent.

Distribution of Loans by Income Level of the Geography

The bank exhibits excellent geographic distribution of loans in the Wichita Falls, TX MSA.

Consumer Loans

Refer to Table U in the state of Texas section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's consumer loan originations and purchases.

The bank's distribution of consumer loans in LMI geographies is excellent. The percent of bank consumer loans in low-income geographies exceeds the percent of households in low-income geographies in the AA. The percent of bank consumer loans in moderate-income geographies exceeds the percent of households in moderate-income geographies in the AA.

Lending Gap Analysis

The OCC evaluated the lending distribution in the Wichita Falls, TX MSA to determine if any unexplained, conspicuous gaps existed. We reviewed summary reports, maps, and analyzed FSNB's lending activity over the evaluation period to identify any gaps in the geographic distribution of loans. We did not identify any unexplained, conspicuous gaps.

Distribution of Loans by Income Level of the Borrower

The bank exhibits an excellent distribution of loans to individuals of different income levels in the Wichita Falls, TX MSA.

Consumer Loans

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

The bank's distribution of consumer loans to LMI individuals is excellent. The percent of bank consumer loans to low-income borrowers exceeds the percent of low-income households in the AA. The percent of bank consumer loans to moderate-income borrowers also exceeds the percent of moderate-income households in the AA.

Responses to Complaints

There were no CRA-related complaints received by the bank, nor to the OCC, during the evaluation period.

COMMUNITY DEVELOPMENT TEST

The bank's performance under the Community Development Test in the state of Texas is rated Satisfactory.

Conclusions for Area Receiving a Full-Scope Review

Based on a full-scope review, the bank exhibits adequate responsiveness to community development needs in the Wichita Falls, TX MSA through qualified investments and community development services, considering the bank's capacity, community needs and the availability of opportunities for community development in the AA.

Number and Amount of Community Development Loans

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

<i>Community Development Loans</i>				
Assessment Area	Total			
	#	% of Total #	\$(000's)	% of Total \$
Full Scope				
Wichita Falls, TX MSA	0	0.0	0	0.0
Broader Statewide Area	1	100.0	272	100.0

Wichita Falls, TX MSA

CD lending in the full-scope AA reflects poor responsiveness to the CD lending and community needs of the AA given its capacity to lend. During the evaluation period, the bank did not make any loans in the AA. Contributing to the lack of loans is the fact that the bank's primary focus is retail and consumer

lending. The bank also has strong competition from 20 other financial institutions in this AA and they operate one of the two branches inside the base exchange at Sheppard Air Force Base. FSNB has a 0.80 percent deposit market share in this MSA.

Number and Amount of Qualified Investments

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

Qualified Investments										
Assessment Area	Prior Period*		Current Period		Total				Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	% of Total #	\$(000's)	% of Total \$	#	\$(000's)
Full Scope										
Wichita Falls, TX MSA	0	0	3	3	3	23.3	3	0.4	0	0
Statewide	0	0	8	708	8	72.7	708	99.6	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.

Wichita Falls, TX MSA

Overall, the level of CD investments reflects adequate responsiveness to assessment area needs, given its capacity to make such CD investments. During the evaluation period, three donations totaling \$3,000 were made to community organizations. Two donations were to an organization that provides affordable housing for LMI individuals and one donation to an organization that provides support for abused or neglected LMI individuals.

Extent to Which the Bank Provides Community Development Services

Wichita Falls, TX MSA

FSNB has demonstrated excellent responsiveness to the CD service needs in the Wichita Falls, TX MSA. Eighty-three employee hours were dedicated across four separate CD service events reaching 2,015 participants in total. One of the CD services is a recurring weekly course at Sheppard Air Force Base that educates military families and airmen about the basics of banking, budgeting, and using credit wisely. This course was cancelled in early March 2020 due to the COVID-19 pandemic and was averaging 75 participants per week. Other CD services were basic financial literacy courses concerning budgeting and managing family finances on a single income directed at LMI individuals and single parents. Bank employees also hold board memberships at organizations that construct homes for LMI families and another that advocates for abused and neglected children in juvenile court and foster care.

Broader Statewide Area - TX

In addition to the CD activities that benefit the bank's AAs, FSNB made one CD loan for \$272,000 and eight qualified investments for \$708,000 in Texas, in the broader statewide area that is outside of the bank's AAs.

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 MSA(s) and non-MSA(s) that received comprehensive examination review, designated by the term “full-scope,” and those that received a less comprehensive review, designated by the term “limited-scope”.

Time Period Reviewed:	1/1/2019 – 12/31/2020	
Bank Products Reviewed:	Consumer Loans Community Development Loans, Qualified Investments, Community Development Services	
Affiliate(s)	Affiliate Relationship	Products Reviewed
None	N/A	
List of Assessment Areas and Type of Examination		
Rating and Assessment Areas	Type of Exam	Other Information
MMSA(s)		
Memphis TN-MS-AR MSA	Full Scope	
State of Arkansas		
Little Rock-North Little Rock, AR (CSA)	Full Scope	
Non-MSA Arkansas	Limited Scope	
State of Delaware		
Dover, DE MSA	Full Scope	
State of Georgia		
Atlanta-Sandy Springs-Alpharetta, GA MSA	Full Scope	
State of Louisiana		
Shreveport-Bossier City, LA MSA	Full Scope	
State of Mississippi		
Jackson, MS MSA	Full Scope	
State of North Carolina		
Fayetteville, NC MSA	Full Scope	
Charlotte-Concord-Gastonia, NC-SC MSA	Limited Scope	
Jacksonville, NC MSA	Limited Scope	
Raleigh-Cary, NC MSA	Limited Scope	
Wilmington, NC MSA	Limited Scope	
Non-MSA North Carolina	Limited Scope	
State of Oklahoma		
Lawton, OK MSA	Full Scope	
State of Tennessee		
Nashville-Davidson-Murfreesboro-Franklin, TN MSA	Full Scope	
Clarksville TN-KY MSA	Limited Scope	
Jackson, TN MSA	Limited Scope	
Johnson City-Kingsport-Bristol, TN-VA CSA	Limited Scope	
Knoxville-Morristown-Sevierville, TN CSA	Limited Scope	
Non-MSA Tennessee	Limited Scope	
State of Texas		
Wichita Falls, TX MSA	Full Scope	

Appendix B: Summary of MMSA and State Ratings

	RATINGS	FSNB, N.A.	
	Lending Test Rating*	CD Test Rating	Overall Bank/State/Multistate Rating
Overall Bank:	Outstanding	Satisfactory	Satisfactory
MMSA or State:			
Memphis TN-MS-AR MSA	Outstanding	Satisfactory	Satisfactory
State of Arkansas	Satisfactory	Satisfactory	Satisfactory
State of Delaware	Outstanding	Satisfactory	Satisfactory
State of Georgia	Outstanding	Satisfactory	Satisfactory
State of Louisiana	Outstanding	Satisfactory	Satisfactory
State of Mississippi	Outstanding	Satisfactory	Satisfactory
State of North Carolina	Outstanding	Satisfactory	Satisfactory
State of Oklahoma	Outstanding	Satisfactory	Satisfactory
State of Tennessee	Outstanding	Satisfactory	Satisfactory
State of Texas	Outstanding	Satisfactory	Satisfactory

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

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/assessment area.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Appendix D: Tables of Performance Data

Content of Standardized Tables

A separate set of tables is provided for each state. All multistate metropolitan statistical areas, if applicable, are presented in one set of tables. References to the “bank” include activities of any affiliates that the bank provided for consideration (refer to appendix A: Scope of the Examination). For purposes of reviewing the Lending Test tables, the following are applicable: (1) purchased are treated as originations; and (2) “aggregate” is the percentage of the aggregate number of reportable loans originated and purchased by all HMDA or CRA-reporting lenders in the MMSA/assessment area. Deposit data are compiled by the FDIC and are available as of June 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 U. Assessment Area Distribution of Consumer Loans by Income Category of the Geography - Compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of households in those geographies.

Table V. Assessment Area Distribution of Consumer Loans by Borrower Income Category - Compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage distribution of households by income level in each MMSA/assessment area.

Table U: Assessment Area Distribution of Consumer Loans by Income Category of the Geography													2019-2020
Assessment Area:	Total Consumer Loans			Low-Income Tracts		Moderate-Income Tracts		Middle-Income Tracts		Upper-Income Tracts		Not Available-Income Tracts	
	#	\$	% of Total	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans
Multistate MSA													
Memphis TN-MS-AR MSA 2020	497	605	100	16.8	20.1	20.0	23.9	25.6	36.2	37.3	19.1	0.2	0.6
State of Arkansas													
Little Rock-North Little Rock AR CSA	71	102	73.2	4.2	2.8	20.2	28.2	43.5	47.9	31.7	21.1	0.4	0.0
Non-MSA AR	26	39	26.8	0.0	0.0	4.9	3.9	50.7	38.5	44.5	57.7	0.0	0.0
State of Delaware													
Dover DE MSA	64	85	100	1.6	0.0	16.1	18.8	68.5	71.9	13.8	9.4	0.0	0.0
State of Georgia													
Atlanta-Sandy Springs-Alpharetta GA MSA	69	97	100	7.4	11.6	26.1	30.4	33.6	40.6	32.8	17.4	0.1	0.0
State of Louisiana													
Shreveport-Bossier City LA MSA	85	121	100	10.5	22.4	21.4	20.0	35.6	44.7	32.5	12.9	0.0	0.0
State of Mississippi													
Jackson MS MSA	265	315	100	9.0	15.9	25.5	24.5	31.4	35.5	34.1	24.2	0.0	0.0
State of North Carolina													

Fayetteville NC MSA	323	470	50.0	1.5	1.9	18.9	20.7	63.4	65.3	16.2	12.1	0.0	0.0
Charlotte-Concord-Gastonia NC-SC MSA	34	40	5.3	6.9	2.9	25.3	26.5	33.1	70.6	34.6	0.0	0.1	0.0
Jacksonville NC MSA	67	99	10.4	0.0	0.0	11.5	17.9	72.3	73.1	16.2	9.0	0.0	0.0
Raleigh-Cary NC MSA	97	135	15.0	5.9	15.5	29.2	53.6	33.5	21.7	31.4	9.3	0.0	0.0
Wilmington NC MSA	78	113	12.1	13.0	12.8	16.1	23.1	40.3	53.9	30.5	10.3	0.0	0.0
Non-MSA NC	47	50	7.3	0.0	0.0	74.8	89.4	16.5	8.5	8.7	2.1	0.0	0.0
State of Oklahoma													
Lawton OK MSA	499	1,240	100	6.4	6.4	22.8	24.5	41.8	43.3	28.9	25.9	0.0	0.0
State of Tennessee													
Nashville-Davidson-Murfreesboro-Franklin MSA	266	343	37.5	6.7	12.4	24.9	33.5	41.1	43.6	27.2	10.2	0.1	0.4
Clarksville TN-KY MSA	42	56	5.9	1.4	0.0	14.8	28.6	60.2	40.5	22.8	31.0	0.7	0.0
Jackson TN MSA	31	42	4.4	5.4	6.5	19.2	22.6	43.4	29.0	30.9	29.0	1.1	12.9
Johnson City-Kingsport-Bristol TN CSA	108	125	15.1	0.0	0.0	24.1	32.7	54.6	54.2	21.3	13.1	0.0	0.0

Knoxville-Morristown Sevierville TN CSA	123	159	17.8	4.6	5.6	23.4	22.2	47.6	59.5	24.4	12.7	0.0	0.0
Non-MSA TN	137	195	19.3	0.0	0.0	20.9	35.8	59.4	46.0	19.7	18.3	0.0	0.0
State of Texas													
Wichita Falls TX MSA	92	172	100	5.8	12.0	22.8	29.4	33.3	26.1	38.1	32.6	0.0	0.0
Total	3,023	4,603		7.1		24.2		37.8		30.8		0.1	
<i>Source: 2015 ACS Census; 01/01/2019 - 12/31/2020 Bank Data. Due to rounding, totals may not equal 100.0%</i>													

Table V - Assessment Area Distribution of Consumer Loans by Income Category of the Borrower **2019-2020**

Assessment Area:	Total Consumer Loans			Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Not Available-Income Borrowers	
	#	\$	% of Total	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans
Multistate MSA													
Memphis TN-MS-AR MSA 2020	497	605	100	25.6	67.2	15.5	25.4	16.5	5.4	42.4	1.6	0.0	0.4
State of Arkansas													
Little Rock-North Little Rock AR CSA	71	102	73.2	24.4	73.2	16.1	19.7	17.8	4.2	41.7	2.8	0.0	0.0
Non-MSA AR	26	39	26.8	20.4	57.7	14.6	30.8	17.9	11.5	47.2	0.0	0.0	0.0
State of Delaware													
Dover DE MSA	64	85	100	23.2	68.8	17.0	17.2	18.7	9.4	41.1	1.6	0.0	3.1
State of Georgia													
Atlanta-Sandy Springs-Alpharetta GA MSA	69	97	100	23.9	62.3	16.5	20.3	17.5	7.3	42.1	8.7	0.0	1.5
State of Louisiana													
Shreveport-Bossier City LA MSA	85	121	100	25.7	74.1	15.7	18.8	15.6	5.9	43.0	1.2	0.0	0.0
State of Mississippi													
Jackson MS MSA	265	315	100	25.5	75.1	15.3	15.5	16.3	7.6	42.9	1.5	0.0	0.4
State of North Carolina													

Fayetteville NC MSA	323	470	50.0	22.8	62.2	17.1	19.8	18.4	14.9	41.8	2.8	0.0	0.3
Charlotte-Concord-Gastonia NC-SC MSA	34	40	5.3	23.3	76.5	16.2	20.6	17.5	2.9	43.0	0.0	0.0	0.0
Jacksonville NC MSA	67	99	10.4	21.1	56.7	17.6	31.3	21.6	10.5	39.7	1.5	0.0	0.0
Raleigh-Cary NC MSA	97	135	15.0	23.1	86.6	17.2	11.3	17.8	2.1	41.9	0.0	0.0	0.0
Wilmington NC MSA	78	113	12.1	25.1	82.1	15.5	14.1	17.5	1.3	41.9	1.3	0.0	1.3
Non-MSA NC	47	50	7.3	30.6	63.8	16.9	23.4	17.3	10.6	35.2	0.0	0.0	2.1
State of Oklahoma													
Lawton OK MSA	499	1,240	100	23.8	54.7	16.3	22.44	17.8	15.4	42.1	6.41	0.0	1.0
State of Tennessee													
Nashville-Davidson-Murfreesboro-Franklin MSA	266	343	37.5	23.0	71.4	16.9	23.3	18.2	3.4	41.9	0.4	0.0	1.5
Clarksville TN-KY MSA	42	56	5.9	19.7	52.4	15.5	38.1	19.8	7.1	45.0	2.4	0.0	0.0
Jackson TN MSA	31	42	4.4	24.9	51.6	15.7	25.8	16.5	19.4	43.0	3.2	0.0	0.0
Johnson City-Kingsport-Bristol TN CSA	108	125	15.1	24.5	72.0	16.2	23.4	17.1	0.0	42.2	2.8	0.0	1.9
Knoxville-Morristown	123	159	17.8	24.6	73.8	16.3	18.3	16.5	6.4	42.5	1.6	0.0	0.0

Sevierville TN CSA													
Non-MSA TN	137	195	19.3	24.7	53.3	15.9	28.5	17.1	13.9	42.3	4.4	0.0	0.0
State of Texas													
Wichita Falls TX MSA	92	172	100	23.8	57.6	16.3	21.7	18.3	15.2	41.6	4.4	0.0	1.1
Total	3,023	4,603		23.9	--	16.3	--	17.5	--	42.3	--	0.0	--
<i>Source: 2015 ACS Census; 01/01/2019 - 12/31/2021 Bank Data. Due to rounding, totals may not equal 100.0%</i>													