



PUBLIC DISCLOSURE

October 31, 2022

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

First National Bank of Louisiana
Charter Number 12523

128 North Parkerson Avenue
Crowley, LA 70526-5002

Office of the Comptroller of the Currency

3850 North Causeway Blvd.
Suite 1330
Metairie, LA 70002-8105

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

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Overall CRA Rating

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

The Lending Test is rated: Satisfactory.

The Community Development test is rated: Outstanding.

The major factors that support this rating include:

- The Lending Test rating is based on:
 - A more than reasonable loan-to-deposit (LTD) ratio.
 - A majority of loans made in the assessment area (AA).
 - Excellent geographic distribution of loans in the state.
 - Reasonable distribution of loans to individuals of different income levels and businesses and farms of different sizes, given the product lines offered by the bank.
 - Excellent geographic distribution of PPP loans in the Lake Charles AA in moderate-income census tracts (CTs). Reasonable distribution of PPP loans to small businesses in both the Lafayette AA and the Lake Charles AA.
- The Community Development (CD) Test rating is based on:
 - Excellent CD loans.
 - Adequate qualified investments
 - Excellent CD services

LTD Ratio

Considering the size, financial condition, and credit needs of its AA, First National Bank of Louisiana's (FNB or bank) LTD ratio is more than reasonable. The quarterly LTD ratio since the previous CRA evaluation averaged 77.1 percent, with a high of 94.3 percent in the third quarter of 2019 and a low of 55.7 percent in the third quarter of 2022. We compared the bank's LTD ratio to similarly-situated banks (peer group banks) within or near the AA during the same period. The peer group banks' average LTD ratio was 60.5 percent with a high average ratio of 78.9 percent and a low average ratio of 26.9 percent.

Institution	Assets – As of June 30, 2022 (in thousands)	Average LTD
FNB of Louisiana	582,133	77.14%
Bank of Commerce and Trust Company	382,532	26.90%
Rayne State Bank and Trust Company	474,321	78.89%
First Federal Bank of Louisiana	1,261,908	66.35%
Lakeside Bank	336,576	66.10%
Farmers State Bank and Trust Company	166,770	64.18%

Source: Bank Data

Lending in AA

A majority of FNB's loans are inside its AAs.

FNB originated and purchased 86.6 percent of its total loans inside the bank's AAs during the evaluation period. This analysis is performed at the bank, rather than the AA, level. This percentage does not include extensions of credit by affiliates that may be considered under the other performance criteria.

Lending Inside and Outside of the AA										
Loan Category	Number of Loans				Total #	Dollar Amount of Loans \$(000s)				Total \$(000s)
	Inside		Outside			Inside		Outside		
	#	%	#	%		\$	%	\$	%	
Home Mortgage	240	85.1	42	14.9	282	39,824	80.7	9,510	19.3	49,333
Small Business	63	92.6	5	7.4	68	52,095	83.4	10,369	16.6	62,464
Total	303	86.6	47	13.4	350	91,919	82.2	19,879	17.9	111,798

Source: Bank Data. Due to rounding, totals may not equal 100.0%

Description of Institution

FNB is a full-service, nationally-chartered community bank headquartered in Crowley, Louisiana. The bank currently operates with five branches in two AAs, with the main headquarters and one additional branch located in Acadia Parish, which is part of the Lafayette Metropolitan Statistical Area (MSA). Lafayette Parish, where the bank's third branch is located, is also part of the Lafayette MSA. The remaining two branches are in the Lake Charles MSA, in the cities of Lake Charles and Sulphur. The City of Crowley is 24 miles west of the City of Lafayette and 47 miles east of the City of Lake Charles, the two largest cities in the area. Crowley is primarily a rural and agricultural community and is the center of the state's rice industry. As of June 30, 2022, total assets of FNB were \$582 million with total loans and leases of \$313 million. Total deposits were \$526 million, and tier 1 capital was 9.9 percent.

Banking hours reasonably meet community needs with lobby hours in the Lafayette AA from 8:30 a.m. through 4:00 p.m. Lobby hours in the Lake Charles AA vary slightly and are from 9:00 a.m. through 4:00 p.m. FNB offers extended hours on Friday and through the bank's drive-thru, which is available at all locations. The bank did not open or close any branches during the review period. FNB offers standard deposit products as well as online and mobile banking; online bill pay; Zelle; mobile deposit; and merchant card services. There are no significant differences between products offered at the bank's various locations.

FNB's primary business focus is that of a commercial and real estate lender, with commercial real estate comprising the largest segment of the bank's loan portfolio. However, the bank offers a wide variety of loan products to serve the diverse needs of its communities, including Small Business Administration, conventional, and U.S. Government-sponsored (FHA, VA, and Rural Housing Development) mortgages originated and sold in the secondary market. There has been no change in focus regarding products since the previous CRA performance evaluation (PE). FNB has not made changes to its corporate structure, including any merger or acquisition activities, since the previous CRA PE.

As illustrated in the table below, FNB's primary loan products include both small business and home mortgage lending. While commercial and industrial loans make up a significant portion of the bank's loan portfolio, those loan products are primarily unsecured or otherwise not CRA-related. As of June 30, 2022, the bank's loan portfolio consisted of the following:

FNB of Louisiana Loan Portfolio		
Loan Category	Dollars (000)	Percentage
Non-Farm and Non-Residential	114,304	36.47
Home Mortgage	60,830	19.41
Construction and Land Development	26,074	8.32
Farmland	15,229	4.86
Multifamily	12,333	3.94
Commercial and Industrial	79,124	25.25
Other	5,494	1.75
Total	313,388	100

Source: Call Report; *May not total 100% due to rounding.

FNB has no affiliate or operating subsidiary activities considered when evaluating CRA performance. There were no legal or financial factors impeding the institution's ability to meet credit needs in its AA during the evaluation period. The bank's CRA performance was rated "Satisfactory" in the last PE dated August 6, 2019.

Scope of the Evaluation

Evaluation Period/Products Evaluated

We evaluated the CRA performance of FNB using the Interagency Intermediate-Small Bank CRA procedures, which focus on an analysis of the bank's primary loan products as well as CD activity. The evaluation period covered January 1, 2019, through December 31, 2021.

Conclusions regarding FNB's lending performance are based on a review of small loans to businesses (commercial loans) as well as home mortgage loans (HMDA loans). We analyzed all loans reported on the HMDA loan application register (LAR) for 2019, 2020, and 2021 and reviewed a sample of 68 commercial loans originated during the review period.

During the review period, management responded to lending needs in the AAs by participating in the Small Business Administration's (SBA) Paycheck Protection Program (PPP). The bank originated 667 PPP loans totaling approximately \$107 million in 2020 and 2021. We sampled 70 loans to conduct our analysis. It is noted that although business revenues were not routinely collected for PPP loans, the bank

was able to provide such data and so our analysis of PPP lending focused both on the income category of the geography and distribution of loans to small businesses by gross annual revenue.

Selection of Areas for Full-Scope Review

FNB operates in two AAs in the state of Louisiana including the Lafayette AA, which is part of the Lafayette MSA, and the Lake Charles AA, which is part of the Lake Charles MSA. Both the Lafayette AA and the Lake Charles AA received a full-scope review.

Ratings

The bank's two AAs were rated equally for this current evaluation. Additionally, both small business and home mortgage loans were also weighed equally. Community development activity including loans, investments, and services were also a component of the overall rating.

Discriminatory or Other Illegal Credit Practices Review

Pursuant to 12 CFR 25.28(c) in determining a national bank's or federal savings association's (collectively, bank) CRA rating, the OCC considers evidence of discriminatory or other illegal credit practices in any geography by the bank, or in any AA by an affiliate whose loans have been considered as part of the bank's lending performance. As part of this evaluation process, 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 Consumer Financial Protection Bureau, as applicable.

The OCC has not identified that this institution (or any affiliate whose loans have been considered as part of the institution's lending performance) 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 institution's next performance evaluation in that subsequent evaluation, even if the information concerns activities that occurred during the evaluation period addressed in this performance evaluation.

State Rating

State of Louisiana

CRA rating for the State of Louisiana: Outstanding

The Lending Test is rated: Satisfactory

The CD Test is rated: Outstanding

The major factors that support this rating include:

- Excellent geographic distribution of loans in the state.
- Reasonable distribution of loans to individuals of different income levels and businesses and farms of different sizes, given the product lines offered by the bank.
- Excellent responsiveness to CD needs in the state through excellent CD loans, adequate qualified investments, and excellent CD services.
- Excellent geographic distribution of PPP loans in the Lake Charles AA in moderate-income CTs.
- Reasonable distribution of PPP loans to small businesses in both the Lafayette AA and the Lake Charles AA.

Description of Institution's Operations in Louisiana

FNB serves its community through five branches located in two AAs including the Lafayette AA and the Lake Charles AA. Both AAs received a full-scope review. The bank primarily offers real estate, agricultural, commercial, and consumer loans.

Lafayette AA

FNB operates with three branches in the Lafayette AA, two of which are located in Crowley, Louisiana, and one located in Lafayette Louisiana. All branches are located in the Lafayette MSA. The entire MSA is too large to serve, so management focused activities in Acadia Parish, where the City of Crowley is located, and Lafayette Parish. The Lafayette AA is comprised of 55 CTs including five low-income, 11 moderate-income, 21 middle-income, 17 upper-income, and one not applicable CT. A CT can become not applicable due to changes in the geography of the AA. The AA meets regulatory requirements and does not arbitrarily exclude any low- or moderate-income areas.

Competition among financial institutions in the AA remains significantly strong with the bank vying for loans amongst other large regional and local banks. According to the June 30, 2022, FDIC Deposit Market Share Report, FNB ranked seventh out of 33 deposit institutions, with a market share of 3.9 percent. The top five institutions command 72.2 percent of the market share, and consequently, there is significant competition in the AA.

The Federal Financial Institutions Examination Council's (FFIEC) updated 2015 median family income for the MSA was \$66,400. Low income is defined as less than 50 percent of the median family income. Moderate income is defined as 50 percent to less than 80 percent of the median family income. Middle-

income is defined as 80 percent to 119 percent of the median family income. Upper-income is defined as income of 120 percent and over the median family income. The following table depicts income categories:

Income Categories – Lafayette AA			
Low	Moderate	Middle	Upper
<\$33,200	\$33,200 to <\$53,120	\$53,120 to <\$79,680	≥\$79,680

Source: US Census data

Low-income families earning a median family income less than \$33,200 represented 23.6 percent of families in the AA, while moderate-income families comprised 14.6 percent of the AA population. In 2015, 13 percent of households in the AA earned wages below the property level. In addition to these borrower lending constraints, opportunities for residential lending remain limited within the five low-income and 11 moderate-income CTs in the AA. Of the 31,199 housing units within these 16 CTs, approximately 43.4 percent of the units are owner-occupied housing units; 45.1 percent are rental units with an average gross monthly rent of \$654; and approximately 11 percent are vacant.

Based on 2020 business demographic data, there were 32,825 non-farm businesses in the AA. Of these, 28,391 (86.49 percent) of the businesses had revenues of less than \$1 million, 1,578 (4.81 percent) had revenues greater than \$1 million, and 2,856 (8.70 percent) did not report revenue information. The economy of the Lafayette AA is mixed, with retail, education, medical services, manufacturing, mining, and tourism as major economic drivers. Agriculture (rice, soybeans, and crawfish), particularly in Acadia Parish, also comprise major segments of the AAs economy. Major employers in the AA include the Lafayette Parish School System (education), Lafayette General Health (medical services), Wood Group Production Services (oil and gas services), and Lafayette Consolidated Government (municipal government). According to the Bureau of Labor Statistics, the Lafayette MSA had a 3.5 percent unemployment rate in 2022, which was slightly lower than the Louisiana state average of 4 percent.

Demographic Information of the AA						
AA: Lafayette AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (CTs)	55	9.1	20.0	38.2	30.9	1.8
Population by Geography	293,974	6.6	18.2	36.8	38.3	0.0
Housing Units by Geography	122,205	6.3	19.3	37.0	37.5	0.0
Owner-Occupied Units by Geography	73,235	3.9	14.8	39.6	41.6	0.0
Occupied Rental Units by Geography	38,359	10.5	26.2	32.5	30.9	0.0
Vacant Units by Geography	10,611	7.2	25.0	35.1	32.7	0.0
Businesses by Geography	32,825	7.6	13.8	37.1	41.3	0.2
Farms by Geography	867	4.3	14.1	43.9	37.7	0.0
Family Distribution by Income Level	70,813	23.6	14.6	16.6	45.2	0.0
Household Distribution by Income Level	111,594	26.1	14.3	14.9	44.7	0.0
Median Family Income MSA - 29180 Lafayette, LA MSA		\$66,400	Median Housing Value			\$153,907
			Median Gross Rent			\$756
			Families Below Poverty Level			13.0%
<i>Source: 2015 ACS and 2020 D&B Data</i> <i>Due to rounding, totals may not equal 100.0%</i> <i>(*) The NA category consists of geographies that have not been assigned an income classification.</i>						

In conjunction with this examination, we conducted an interview with a community leader in the AA. The primary credit need in the community was identified as small business lending. According to this contact, local banks have been active in helping meet the credit needs of the AA.

Lake Charles AA

FNB operates with two branches in the Lake Charles AA, located in the cities of Lake Charles and Sulphur, Louisiana. Both branches are located in the Lakes Charles MSA, but management determined the entire MSA is too large to serve and consequently focuses their activities exclusively on Calcasieu Parish, which includes both the cities of Lake Charles and Sulphur. The Lake Charles AA includes 44 CTs including four low-income, 12 moderate-income, 14 middle-income, 12 upper-income, and two not applicable CT. A CT can become not applicable due to changes in the geography of the AA. The AA meets regulatory requirements and does not arbitrarily exclude any low- or moderate-income areas.

Competition among financial institutions in the AA remains significantly strong with the bank vying for loans amongst other large regional and local banks. According to the June 30, 2022, FDIC Deposit Market Share Report, FNB ranked ninth out of 18 deposit institutions, with a market share of 2.1 percent. The top five institutions command 70.7 percent of the market share and consequently there is significant competition in the AA.

The Federal Financial Institutions Examination Council's (FFIEC) updated 2015 median family income for the MSA was \$68,400. Low income is defined as less than 50 percent of the median family income. Moderate income is defined as 50 percent to less than 80 percent of the median family income. Middle-

income is defined as 80 percent to 119 percent of the median family income. Upper-income is defined as income of 120 percent and over the median family income. The following table depicts income categories:

Income Categories – Lake Charles AA			
Low	Moderate	Middle	Upper
<\$34,200	\$34,200 to <\$54,720	\$54,720 to <\$82,080	≥\$82,080

Source: US Census data

Low-income families earning a median family income less than \$34,200 represented 23.7 percent of families in the AA, while moderate-income families comprised 16.8 percent of the AA population. In 2015, 13 percent of households in the AA earned wages below the property level. In addition to these borrower lending constraints, opportunities for residential lending remain limited within the four low-income and 12 moderate-income CTs in the AA. Of the 26,811 housing units within these 16 CTs, approximately 41.2 percent of the units are owner-occupied housing units; 43.2 percent are rental units with an average gross monthly rent of \$645; and approximately 15 percent are vacant.

Based on 2020 business demographic data, there were 16,106 non-farm businesses in the AA. Of these, 13,648 (84.7 percent) of the businesses had revenues of less than \$1 million, 660 (4.1 percent) had revenues greater than \$1 million, and 1,798 (11.2 percent) did not report revenue information. The economy of the Lakes Charles AA is mixed, with retail, education, medical services, gambling, and manufacturing as major economic drivers. Major employers in Calcasieu Parish include education (Calcasieu Parish School Board), healthcare (Lake Charles Memorial Health System), casino (Coushatta, Golden Nugget, LLC, and L'Auberge - Lake Charles Casinos Resort), chemical manufacturing (Westlake Chemical Corporation, LLC and Sasol Chemicals, LLC). According to the Bureau of Labor Statistics, Calcasieu parish had a 3.8 percent unemployment rate in 2022, which was slightly lower than the Louisiana state average of 4.0 percent.

Demographic Information of the AA						
AA: Lake Charles AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (CTs)	44	9.1	27.3	31.8	27.3	4.5
Population by Geography	195,887	5.0	25.8	36.7	32.5	0.0
Housing Units by Geography	84,954	5.6	25.9	36.1	32.3	0.0
Owner-Occupied Units by Geography	51,678	2.9	18.7	41.5	36.9	0.0
Occupied Rental Units by Geography	23,647	10.7	38.3	24.9	26.2	0.0
Vacant Units by Geography	9,629	8.0	34.1	34.8	23.1	0.0
Businesses by Geography	16,106	5.1	27.5	32.7	34.5	0.2
Farms by Geography	395	3.3	15.9	40.0	40.8	0.0
Family Distribution by Income Level	50,663	23.7	16.8	17.9	41.6	0.0
Household Distribution by Income Level	75,325	25.6	15.6	16.4	42.5	0.0
Median Family Income MSA - 29340 Lake Charles, LA MSA		\$68,400	Median Housing Value			\$126,978
			Median Gross Rent			\$745
			Families Below Poverty Level			13.0%
<i>Source: 2015 ACS and 2020 D&B Data</i> <i>Due to rounding, totals may not equal 100.0%</i> <i>(*) The NA category consists of geographies that have not been assigned an income classification.</i>						

In conjunction with this examination, we conducted an interview with a community leader in the AA. The primary credit need in the community was identified as affordable housing and financial education. According to this contact, local banks have been active in helping meet the credit needs of the AA.

Scope of Evaluation in Louisiana

FNB operates in two AAs in the State of Louisiana including the Lafayette AA, which is part of the Lafayette MSA, and the Lake Charles AA, which is part of the Lake Charles MSA. Both AAs received a full-scope review. We analyzed the bank's HMDA and commercial lending with both products being weighed equally. We also analyzed PPP lending made during a portion of the review period.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN LOUISIANA

LENDING TEST

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

Conclusions for Areas Receiving Full-Scope Reviews

Based on a full-scope review, the bank's lending performance in the state of Louisiana is reasonable.

Distribution of Loans by Income Level of the Geography

FNB exhibits excellent geographic distribution of loans in the state.

Home Mortgage Loans

Refer to Table O in the state of Louisiana section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations and purchases.

Lafayette AA

FNB exhibits excellent geographic distribution of home mortgage loans in both the low- and moderate-income CTs as the bank's lending exceeded both the demographic comparator and aggregate lending in the AA.

Lake Charles AA

FNB exhibits excellent geographic distribution of home mortgage loans in both the low- and moderate-income CTs as the bank's lending exceeded both the demographic comparator and aggregate lending in the AA.

Small Loans to Businesses

Refer to Table Q in the state of Louisiana section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's originations and purchases of loans to small businesses.

Lafayette AA

FNB exhibits excellent geographic distribution of small loans to business in both the low- and moderate-income CTs as the bank's lending exceeded both the percentages of businesses and aggregate lending in those CTs.

Lake Charles AA

FNB exhibits excellent geographic distribution of small loans to businesses in the low-income CTs as the bank's lending exceeded the percentage of businesses and was on par with aggregate lending in the low-income CTs. FNB exhibits reasonable geographic distribution of small loans to businesses in the moderate-income CTs as the bank's lending was slightly less than both the geographic comparator and peer lending.

PPP

The bank exhibits excellent geographic distribution of PPP loans in the Lake Charles AA moderate-income CTs as the bank's lending exceeded the percentages of businesses and aggregate lending in those tracts. PPP loans met the urgent credit needs of business in the bank's AA during the height of the COVID-19 pandemic. As such, management should be commended for making such loans and meeting the needs of businesses in the moderate-income CTs.

Distribution of Loans by Income Level of the Borrower

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

Home Mortgage Loans

Refer to Table P in the state of Louisiana section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

Lafayette AA

FNB's distribution of home mortgage loans to low- and moderate-income borrowers is considered satisfactory. Management's lending to low-income borrowers exceeded aggregate lending and is therefore considered satisfactory. However, management's lending to moderate-income borrowers was less than both the comparator, the percentage of families, as well as aggregate lending and is therefore considered poor. While the bank does face some competition for lending, the demographics of the AA confirm there is both a demand and ability to qualify for lending for moderate-income borrowers.

Lake Charles AA

FNB's distribution of home mortgage loans to low- and moderate-income borrowers is considered poor. Management's lending to low- and moderate-income borrowers was less than both the demographic comparator and aggregate lending. Approximately 24 percent and 17 percent of families in the AA are considered low-income and moderate-income, respectively. Furthermore, with a median housing value of \$126,978, approximately 61 percent of housing units in the AA owner-occupied and 28 percent rental units with an average monthly rent of only \$745, there is both demand and ability to qualify for both low- and moderate-income borrowers.

Small Loans to Businesses

Refer to Table R in the state of Louisiana section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's originations and purchases of loans to small businesses.

Lafayette AA

The distribution of small loans to businesses in the Lafayette AA is considered reasonable. While FNB's lending was less than the percentage of businesses in the AA, the bank's percentage of loans exceeded the percentage of aggregate lending to similar business in the AA.

Lake Charles AA

The distribution of small loans to businesses in the Lake Charles AA is considered reasonable. While FNB's lending was less than the percentage of businesses in the AA, the bank's percentage of loans exceeded the percentage of aggregate lending to similar business in the AA.

PPP

FNB exhibits reasonable distribution of PPP loans to small businesses in both the Lafayette AA and the Lake Charles AA. The bank's PPP loans exceeded peer lending in both AAs, revealing management's commitment to assisting small businesses during the COVID-19 pandemic. Management should be commended for the actions taken during this unprecedented time and meeting the needs of small business in both AAs.

Responses to Complaints

Management received a limited number of complaints during the review period. All complaints were appropriately addressed within a timely manner. The complaints received did not directly involve Community Reinvestment Act rules or regulations.

CD TEST

FNB's performance under the CD Test in the state of Louisiana is rated Outstanding.

Conclusions for Areas Receiving Full-Scope Reviews

Based on a full-scope review, FNB exhibits excellent responsiveness to CD needs in the state through CD loans, qualified investments, and CD services, as appropriate, considering the bank's capacity and the need and availability of such opportunities for CD in the AAs.

Number and Amount of CD Loans

The bank's CD loans demonstrate excellent responsiveness to CD needs in the AAs, and thus had a positive impact on FNB's overall CD rating.

During the evaluation period, management made 84 qualifying CD loans totaling approximately \$24 million, which represents 43.5 percent of tier 1 capital. In the Lafayette AA, the qualifying CD loans total approximately \$16 million, representing 29.1 percent of tier 1 capital. In the Lake Charles AA, total loans of approximately \$8 million represent 14.4 percent of tier 1 capital.

The CD 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.

CD Loans				
AA:	Total			
	#	Percent of Total #	\$(000's)	Percent of Total \$
Lafayette AA	40	47.6	16,264,283	66.9
Lake Charles AA	44	52.4	8,064,366	33.1
Total	84	100	24,328,649	100

Source: Bank documents

Some notable examples of CD loans are as follows:

Lafayette AA

- A loan for \$64,000 for the purchase of affordable housing targeted at low- and moderate-income renters.
- A \$500,000 loan to a business that will employ low- and moderate-income individuals, and which will also provide economic development for the downtown area of Crowley, Louisiana.
- A loan for \$2,000,000 to purchase an ongoing business that employees 74 low- and moderate-income individuals.

Lake Charles AA

- A loan for \$200,000 for the construction of affordable housing in the Parish.
- A loan for \$150,000 for a mental health facility targeted at low- and moderate-income individuals.

CD Loans Made in the Broader/Regional or Statewide Area

FNB made a total of 13 CD loans outside the Lafayette AA and Lake Charles AA during the review period totaling approximately \$3.1 million. Most of these loans were made in East Baton Rouge Parish, St. Mary Parish, and St. Landry Parish. These loans focused on affordable housing and economic development. As FNB met the CD needs in its AAs, these additional loans can also be considered and have a positive impact on the bank's overall CD rating.

Number and Amount of Qualified Investments

FNB's investments demonstrate adequate responsiveness to CD needs in the AAs and had a neutral impact on the bank's overall CD rating.

During the evaluation period, management made two qualifying CD investments totaling approximately \$2.1 million, which represents 3.8 percent of tier 1 capital and three Federal Home Loan Bank matching grants totaling approximately \$98,000. Additionally, \$189,073 in donations were provided to various charities and organizations who promote community and economic development. FNB's combined investments, donations, and grants represent 4.2 percent of tier 1 capital.

Qualified Investments										
AA:	Prior Period		Current Period		Total				Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	% of Total #	\$(000's)	% of Total \$	#	\$(000's)
Lafayette AA	0	0	2	1,593	2	100	1,593	100	0	0
Lake Charles AA	0	0	2	556	2	100	556	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.

The Qualified Investment Table, shown above, set forth the information and data used to evaluate the bank's level of qualified CD investments. These tables include all CD investments, including prior period investments that remain outstanding as of the examination date.

Some notable examples of CD investments and donations are as follows:

Lafayette AA

- Invested \$780,899 in a FHLMC mortgage pool which provided affordable housing to low- and moderate-income borrowers in low- and moderate-income CTs.
- Donated \$72,000 to Empowering the Community for Excellence, which provides after school tutoring to students living in public housing.
- Donated \$10,000 to Ms. Helen's Soup Kitchen which provides free meals to low- and moderate-income individuals and families.

Lake Charles AA

- Provided \$13,000 of a Federal Home Loan bank matching grant to Project Build a Future, which provides assistance to low- and moderate-income individuals in purchasing their first home.
- Donated \$2,000 to Dewanna's Closet, which provides free clothing to low- and moderate-income students.

Extent to Which the Bank Provides CD Services

The bank's CD services demonstrate excellent responsiveness to CD needs in the AAs.

FNB operates with five branches in both the Lafayette AA and the Lake Charles AA. Of the three branches located in the Lafayette AA, two are in low-income CTs. The remaining branch in Lafayette Parish is near low- and moderate-income CTs. Both branches located in the Lake Charles AA are adjacent to low- and moderate-income CTs. The bank's service delivery systems are accessible to all geographies and individuals of different income levels. Business hours are convenient to all segments of the AA and all offices have expanded hours on Friday afternoons.

The bank's branches offer a full line of banking services. Three of the four personal check account products offered have no monthly service charges. Additionally, one checking account product offers free enrollment, or no minimum opening deposit requirement, if the customer agrees to receive e-statements, making these products readily accessible to low- and moderate-income individuals. In addition to low-cost checking and savings products, FNB offers free online banking, telephone banking,

mobile deposit, and toll-free customer service. There are no significant differences between products offered at the bank's various locations.

FNB's management and employees participated in a total of 1,171 CD service qualifying hours involving 18 services designed to stabilize communities and improve the quality to life in both AAs. In the Lafayette AA, bank management and employees volunteered approximately 717 total hours through 10 services. In the Lake Charles AA, bank management and employees volunteered approximately 454 hours through eight services. These services focus on the needs of low- and moderate-income groups and enables the bank to become aware of and participate in activities that satisfy the CD needs of the AA. Highlights of the various services for each AA include the following:

Lafayette AA

- FNB participated in Banzai Financial Literacy Program, which provides financial literacy educational resources to students attending low- and moderate-income schools. The program provides financial education books and online curriculum in addition to offline class lecture time. Approximately, 140 booklets were distributed across five different classrooms.
- Bank employees worked with The Way Training Center, which provides housing, education, and job skills training for those in recovery, targeting low- and moderate-income individuals.
- A member of bank management sat on the Board of The Boys and Girls Club and provided financial assisting and advice on annual budgets and personnel.

Lake Charles AA

- Worked with CD and Services and provided training on the qualifying parameters and some of the challenges for first-time homebuyers.
- Several employees volunteered with Abraham's Tent, who provide free hot lunches Monday through Saturday to low- and moderate-income individuals and families and serves as a food distribution center in Lake Charles.

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:	01/01/2019 to 12/31/2021	
Bank Products Reviewed:	Home mortgage and loans to small business CD loans, qualified investments, CD services	
Affiliate(s)	Affiliate Relationship	Products Reviewed
NA	NA	NA
List of AAs and Type of Examination		
Rating and AAs	Type of Exam	Other Information
Lafayette AA	Full-Scope	PPP loans were also analyzed
Lake Charles AA	Full-Scope	PPP loans were also analyzed
State		
Louisiana		

Appendix B: Summary of MMSA and State Ratings

RATINGS First National Bank of Louisiana			
Overall Bank:	Lending Test Rating*	CD Test Rating	Overall Bank/State/Multistate Rating
	Satisfactory	Outstanding	Outstanding
MMSA or State:			
Louisiana	Satisfactory	Outstanding	Outstanding

(*) The Lending Test and CD 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/AA.

Census Tract (CT): A small, relatively permanent statistical subdivision of a county delineated by a local committee of census data users for the purpose of presenting data. CTs nest within counties, and their boundaries normally follow visible features, but may follow legal geography boundaries and other non-visible features in some instances, CTs 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 low- and moderate-income areas, consistent with the safe and sound operation of the bank, and to take this record into account when evaluating certain corporate applications filed by the bank.

Consumer Loan(s): 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 CT 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 CT 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/AA.

Median Family Income (MFI): The median income determined by the U.S. Census Bureau every five years and used to determine the income level category of geographies. The median is the point at which half of the families have income above, and half below, a range of incomes. Also, the median income determined by the 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 parishes or counties that represent an employment center or centers, plus adjacent counties associated with the main/secondary parish/county or parishes/counties through commuting ties.

Metropolitan Statistical Area (MSA): 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 MSA comprises the central parish/county or parishes/counties containing the core, plus adjacent outlying counties having a high degree of social and economic integration with the central parish/county or parishes/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 CD.

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 multistate MSA, the institution will receive a rating for the multistate MSA.

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 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 MSAs, 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 multistate MSA/AA. Deposit data are compiled by the FDIC and are available as of June 30 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 O. AA Distribution of Home Mortgage Loans by Income Category of the Geography -** Compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of owner-occupied housing units throughout those geographies. The table also presents aggregate peer data for the years the data is available.
- Table P. AA Distribution of Home Mortgage Loans by Income Category of the Borrower -** Compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage distribution of families by income level in each multistate MSA/AA. The table also presents aggregate peer data for the years the data is available.
- Table Q. AA Distribution of Loans to Small Businesses by Income Category of the Geography -** The percentage distribution of the number of small loans (less than or equal to \$1 million) to businesses that were originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of businesses (regardless of revenue size) in those geographies. Because aggregate small business data are not available for geographic areas smaller than counties, it may be necessary to compare bank loan data to aggregate data from geographic areas larger than the bank’s AA.
- Table R. AA Distribution of Loans to Small Businesses by Gross Annual Revenue -** Compares the percentage distribution of the number of small loans (loans less than or equal to \$1 million) originated and purchased by the bank to businesses with revenues of \$1 million or less to: 1) the percentage distribution of businesses with revenues of greater than \$1 million; and, 2) the percentage distribution of businesses for which revenues are not available. The table also presents aggregate peer small business data for the years the data is available.

Table O - AA Distribution of Home Mortgage Loans by Income Category of the Geography																				2019-21	
AA:	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts				
	#	\$	% of Total	Overall Market	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate		
Lafayette AA	132	21,396	55.0	12,804	3.9	6.8	1.6	14.8	31.1	9.0	39.6	28.8	33.1	41.6	33.3	56.3	0.0	0.0	0.0		
Lake Charles AA	108	18,428	45.0	7,328	2.9	7.4	1.4	18.7	38.0	15.3	41.5	30.6	40.2	36.9	24.1	43.1	0.0	0.0	0.0		
Total	240	39,824	100.0	20,132	3.5	7.1	1.6	16.4	34.2	11.3	40.4	29.6	35.7	39.7	29.2	51.5	0.0	0.0	0.0		

Source: 2015 ACS; Bank Data, 2021 HMDA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0%

Table P - AA Distribution of Home Mortgage Loans by Income Category of the Borrower																				2019-21	
AA:	Total Home Mortgage Loans				Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers				
	#	\$	% of Total	Overall Market	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate		
Lafayette AA	132	21,396	55.0	12,804	23.6	12.1	5.3	14.6	3.0	16.0	16.6	11.4	19.3	45.2	40.9	37.7	0.0	32.6	21.7		
Lake Charles AA	108	18,428	45.0	7,328	23.7	2.8	4.9	16.8	3.7	14.0	17.9	10.2	17.7	41.6	37.0	34.6	0.0	46.3	28.9		
Total	240	39,824	100.0	20,132	23.6	7.9	5.2	15.5	3.3	15.2	17.2	10.8	18.7	43.7	39.2	36.6	0.0	38.8	24.3		

Source: 2015 ACS; Bank Data, 2021 HMDA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0%

Table Q: AA Distribution of Loans to Small Businesses by Income Category of the Geography																			2019-21	
AA:	Total Loans to Small Businesses				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts			
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	
Lafayette AA	44	36,426	69.8	10,823	7.6	9.1	7.4	13.8	29.6	11.6	37.1	31.8	37.5	41.4	29.5	43.5	0.2	0.0	0.0	
Lake Charles AA	19	15,670	30.2	5,143	5.1	5.3	6.0	27.5	26.3	28.1	32.7	15.8	28.3	34.5	52.6	37.4	0.2	0.0	0.2	
Total	63	52,096	100	15,966	6.7	7.9	7.0	18.3	28.6	16.9	35.6	27.0	34.5	39.1	36.5	41.5	0.2	--	0.1	

Source: 2021 D&B Data; 01/01/2019 - 12/31/2021 Bank Data; 2020 CRA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0%

Table R: AA Distribution of Loans to Small Businesses by Gross Annual Revenues												2019-21	
AA:	Total Loans to Small Businesses				Businesses with Revenues <= 1MM			Businesses with Revenues > 1MM		Businesses with Revenues Not Available			
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans		
Lafayette AA	44	36,426	69.8	10,823	86.5	70.45	25.1	4.8	29.5	8.7	0.05		
Lake Charles AA	19	15,670	30.2	5,143	84.7	63.2	26.3	4.1	36.8	11.2	0.0		
Total	63	52,096	100	15,966	85.9	66.7	25.5	4.6	31.7	9.5	0.02		

Source: 2020 D&B Data; 01/01/2019 - 12/31/2021 Bank Data; 2020 CRA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0%