



## **PUBLIC DISCLOSURE**

May 16, 2017

### **COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION**

The First National Bank of Oneida  
Charter Number 8039

18418 Alberta Street  
Oneida, TN 37841

Office of the Comptroller of the Currency

320 Seven Springs Way  
Suite 310  
Brentwood, TN 37027

**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, nor should it 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.

## **INSTITUTION'S CRA RATING: This institution is rated Satisfactory**

The First National Bank of Oneida (FNB Oneida or bank) has a satisfactory record of meeting community credit needs. This is based on the following factors:

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- The bank's loan-to-deposit (LTD) ratio is reasonable and exceeds the standard for satisfactory performance. The LTD ratio averaged 72.6% during the evaluation period.
- The bank's record of lending within its Assessment Areas (AAs) exceeds expectations for satisfactory performance. A substantial majority of the bank's lending by loan number (82.2%) and loan amount (72.9%) were within its AAs.
- The bank's distribution of lending to borrowers of different income levels is reasonable considering the economic conditions of the review period. The distribution of lending to businesses of different sizes is also reasonable.
- The geographic distribution of residential real estate and business loans reflect reasonable dispersion throughout the AAs.
- First National Bank (FNB) Oneida did not receive any consumer complaints regarding its community reinvestment act (CRA) performance during the evaluation period.

## **SCOPE OF EXAMINATION**

This Performance Evaluation (PE) is based on full-scope examination procedures for the time period of January 1, 2011 through the examination date, with the review of the lending performance covering the period from January 2014 through December 2016. FNB Oneida was reviewed utilizing the Small Bank CRA guidelines and evaluated using the existing Small Bank lending test, which is based on the bank not having assets of at least \$307 million as of December 31 of both of the prior two calendar years. As a Small Bank per CRA regulations, the bank is not currently required to provide community development loans, investments, or services. Management has proactively initiated strategies to seek out opportunities to serve their community, particularly low- to moderate-individuals and families. At management's request, we reviewed these activities to ensure they met the definition of Community Development (CD). However, these CD activities were not considered for the bank's overall CRA rating because the bank's lending to low- to moderate-individuals and families and small businesses was not originated at a sufficiently high level for the CD activities to elevate the bank's CRA rating to "Outstanding". A data integrity review, conducted prior to this evaluation, determined that the bank's data was reliable. FNB Oneida has no bank-owned affiliates that would be considered for this review.

In evaluating the Bank's lending performance, the Bank's primary loan products include residential mortgages and business loans. Consumer lending and farm lending did not constitute a substantial lending activity during the review period, and therefore were not considered in the

lending performance evaluation. Conclusions regarding the Lending Test are based on residential and small business loans originated between January 1, 2014, and December 31, 2016. Residential loans include home purchases, home improvements, and home refinances. As the bank is a Home Mortgage Disclosure Act (HMDA) reporter, the HMDA Loan Application Register was used as a basis for the final analysis of the residential loan category findings. For small business loans, we selected a sample of 40 loans based on internal bank reports, with the applicable loan evaluation spanning the period from January 1, 2014, through December 31, 2016. The review of CD activities covered activity since January 1, 2014 through the examination date.

FNB Oneida has two AAs. The first AA is a Non-Metropolitan Statistical Area (MSA) AA, which includes the entire Tennessee (TN) county of Scott County. The second AA is the entire TN county of Campbell County, which is located within the Knoxville TN MSA, and adjacent to the bank's non-MSA AA of Scott County. During the current examination, bank management with Board approval, separated the bank's one AA consisting of Scott and Campbell counties into the two current AAs based on the separate counties. The separate AAs were dictated by Campbell County becoming part of the Knoxville MSA since the previous 2011 CRA examination.

Since the bank has one MSA AA and one non-MSA AA, we performed full-scope reviews for both AAs, even though a substantial portion of the bank's lending activity, deposit levels and branches are located in the non-MSA AA of Scott County. Each of these two AAs were considered in determining the bank's overall rating.

## **DESCRIPTION OF INSTITUTION**

FNB Oneida is a community bank, headquartered in Oneida, Tennessee and OCC-chartered since 1905. The bank has no holding company and no affiliates. No merger or acquisition activity has occurred since the previous evaluation. The main office and three full service branches are located within Scott County. The main office, that includes a drive-in facility, is located at 18418 Alberta Avenue in Oneida, Tennessee. The branch locations include: 250 National Drive, Helenwood, Tennessee (also serving as the bank's operations center); 131 Bank Street, Huntsville, Tennessee; and 24907 Scott Highway, Winfield, Tennessee. A fourth branch, within Campbell County, is located at 2408 Jacksboro Pike, Jacksboro, Tennessee. FNB Oneida also operates three automated teller machines (ATMs), located at the main bank office, the Helenwood branch, and the Jacksboro branch.

The bank's primary focus through its business strategy is to serve commercial and consumer customers in Scott and Campbell Counties at existing loan levels with minimal growth. The bank meets these needs by providing traditional loan and deposit products and services in person, by telephone, as well as through the internet and mobile banking. As of December 31, 2016, the bank's total assets equaled \$209.7 million, of which \$125.7 million, or 59.9%, were composed of various types of loans to individuals and commercial businesses. Specifically, the bank's loan portfolio consists of the following:

Loan Category	\$ (000s) *	Percent
Residential Mortgage Loans	58,811	46.8
Commercial & Commercial Real Estate	44,139	35.1
Construction & Land Development	13,629	10.9
Individuals	4,447	3.5
Obligations of States or U.S. Subdivisions	3,852	3.1
Farmland and Agriculture	782	0.6
All Other	0	0
<b>Total</b>	<b>125,660</b>	<b>100.0</b>

\* Data obtained from 12/31/2016 Call Report

Bank services are marketed via regular newspaper, radio, outdoor billboards and in some instances direct mail advertising. Also, point of sale posters are used in bank lobbies. Brochures and pamphlets covering the various types of banking services are regularly published and available at all bank locations. FNB Oneida offers convenient banking hours and a variety of loan and deposit products to meet the needs of the assessment area. Branches are generally located in areas that make them accessible to bank customers. Lobby and drive-up hours are set to meet customer needs. The main office and two branches are located in distressed, middle-income census tracts and one branch is located in a moderate income census tract of the non-MSA AA of Scott County. One additional branch is located in a middle-income tract within the MSA AA of Campbell County.

Distribution of Bank Offices by Census Tract				
Census Tract Income Level	Tracts		Full-Service Branches	
	#	%	#	%
LOW (1)	1	6.2	0	0
MODERATE	7	43.8	1	20
MIDDLE	8	50.0	4	80
UPPER (1)	0	0	0	0
NA	0	0	0	0
<b>TOTAL</b>	<b>16</b>	<b>100</b>	<b>5</b>	<b>100</b>

(1) The Scott County AA has no low or upper income CTs. The Campbell County AA has no upper income CTs and only one low income CT.

There are no financial impediments that would limit the bank’s ability to help meet the credit needs in its assessment area. The bank’s last CRA examination was performed as of July 2011 and was rated **Satisfactory**.

## DESCRIPTION OF ASSESSMENT AREA(S)

FNB Oneida has two AAs. Both AAs are reasonable and meet regulatory requirements based on their composition of whole counties with whole census tracts within those counties. The bank has not arbitrarily excluded any low- or-moderate-income geographies. The first AA is a Non-MSA AA, which includes the entire TN county of Scott County. The second AA is Campbell County, which is a TN county within the Knoxville TN MSA and is contiguous to Scott County.

During the current examination, bank management with Board approval, separated the bank's one AA consisting of Scott and Campbell counties into the two current AAs based on the separate counties. The separate AAs was dictated by Campbell County becoming part of the Knoxville MSA since the previous 2011 CRA examination. Both counties have adequate financial and non-financial institutions serving the loan and deposit needs.

### **Assessment Area 1: Non-MSA Scott County**

This AA has five census tracts in Scott County, Tennessee, which are considered rural and non-metropolitan. Most of the topography for Scott County is rugged terrain within the Cumberland Mountains on the Cumberland Plateau. The five census tracts consist of one moderate and four middle income census tracts, with no tracts categorized as low or upper income. All four middle-income tracts within Scott County have been considered distressed based on poverty and unemployment during the years 2014 - 2016. The Scott County seat is Huntsville, TN, with a population of 1,100. Other primary municipalities within Scott County are Oneida and Winfield. The service-related industry is the largest sector of businesses in Scott County. Primary employers within Scott County are Scott County School System, Tennier Industries, Takahata, Oneida School System, the Scott County Government, and the Walmart Supercenter. Many county residents travel to surrounding counties to obtain employment. For the 2016-2017 school year, 85% of the students within the Scott County School system received free or reduced priced meals. The AA's percentage of households with income below the poverty level and on social security are 26.9% and 38.6%, respectively. The unemployment rate in May 2017 for Scott County was 5.5%. Total population for the county was 22,228 in 2016.

### **Assessment Area 2: Knoxville MSA - Campbell County**

This AA has 11 census tracts within Campbell County, Tennessee. The 11 census tracts consist of one low, six moderate, four middle, and no upper income census tracts. Primary industries within the AA are Services and Retail Trades. Industries in the county include auto parts manufacturers, high skill machine operations, defense contractors, appliance manufacturing, biotech, commercial metal and building systems. Primary municipalities in Campbell County are Jacksboro (the county seat), LaFollette, Jellico, and Caryville. Campbell County is considered rural with a large mountainous area within the Cumberland Plateau. Four state parks exist within the county. The AA's percentage of households with income below the poverty level and on social security are 24.5% and 43.4%, respectively. The unemployment rate in May 2017 for this AA was 5.3%. Total population for the county was 40,716 in 2016. Numerous financial institutions established much longer in the county than FNB Oneida create a significant challenge in obtaining business from established county residents. FNB Oneida only had a 2.7% market share of county deposits as of June 30, 2016.

### **Community Contacts**

Two community contacts conducted during this examination indicated that financial institutions are doing a satisfactory job of meeting the financial needs of the community. Aside from job opportunities, community needs include affordable housing, financial counseling, and education opportunities. While opportunities for banks to assist with industry relocation or affordable

housing projects may be limited, there is opportunity to assist with financial counseling and financial education. One community contact specifically cited FNB Oneida as an example of meeting community needs. FNB Oneida was essential in providing funding for several needed businesses in Scott County and is known for assisting with the financial education needs of the community through individual counseling and school programs.

## **CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA**

### **Lending Test – Satisfactory**

The bank's performance under the Lending Test is rated "Satisfactory." Based on full-scope reviews, the bank's performance in each AA is satisfactory. The Loan-to-Deposit (LTD) Ratio and lending within the AA met the standard for satisfactory performance. Lending to residential and business borrowers of different income levels and lending within different geographies exceeded or were within a reasonable tolerance level of the standard ratio.

### **Loan-to-Deposit (LTD) Ratio**

FNB Oneida's quarterly average LTD ratio is reasonable, at 72.6% for the 24 quarters ending December 31, 2016, given the bank's size, financial condition, and the credit needs of the bank's AAs. The ratio ranged from a low of 66.2% at September 30, 2016, to a high of 84.1% at March 31, 2011. The bank's LTD ratio fluctuated during the review period is due to varying economic factors, increasing deposit balances, and significant competition within the bank's AAs from other financial and nonfinancial entities for quality borrowers. We compared the LTD ratio to five similarly situated community banks operating near or within the bank's AAs. FNB Oneida's LTD ratio was lower than the combined quarterly average LTD ratio of 82.3% for the other five banks, but within the range of average LTD ratios from a low of 66.8% to a high of 94.9% for the other banks individually. Loan demand is gradually increasing as jobs move back to the community and the economy continues to recover from the economic downturn.

### **Lending in Assessment Areas**

FNB Oneida's record of lending in its AAs exceeds expectations for satisfactory performance. A substantial majority of the number and dollar amount of residential and business loans made during the review period were inside the bank's AAs, at 82.2% and 72.9%, respectively. Conclusions are based on the number and dollar amount of residential loans from HMDA reporting and business loans in our loan sample, which originated during the three year review period ended December 31, 2016. The following table provides further data on lending inside and outside of the bank's AAs.

**Table 1 - Lending in AA**

Loan Type	Number of Loans					Dollars of Loans (000's)				
	Inside		Outside		Total	Inside		Outside		Total
	#	%	#	%		\$	%	\$	%	
Home Purchase	151	80.32	37	19.68	188	12,213	73.15	4,483	26.85	16,696
Home Improvement	56	84.85	10	15.15	66	2,177	79.34	567	20.66	2,744
Home Refinance	86	82.69	18	17.31	104	6,113	68.36	2,830	31.64	8,943
HMDA Sub Totals	293	81.8	65	18.2	358	20,503	72.24	7,880	27.76	28,383
Business loans sample	34	85.0	6	15.0	40	3,144	77.7	903	22.3	4,047
Total Loans	327	82.2	71	17.8	398	23,647	72.92	8,783	27.08	32,430

Source: Data reported under HMDA and Business Loan Sample

### Lending to Borrowers of Different Incomes and to Businesses of Different Sizes

Overall, the distribution of loans to borrowers of different incomes and businesses of different sizes reflects a reasonable penetration. While FNB Oneida demonstrated some lower levels of penetration among low- to moderate-income borrowers than the aggregate, it had excellent penetration of loans to small businesses within the AAs.

### Assessment Area 1: Non-MSA Scott County

The distribution of loans reflects a reasonable penetration among individuals of different income levels and an excellent penetration to businesses of different sizes.

#### Home Loans

The distribution of home loans to borrowers reflects a reasonable penetration among borrowers of different income levels. Table 2 below reflects that FNB Oneida's lending to low-income borrowers within AA1 is low to the aggregate for purchase loans and only slightly lower than the aggregate for the other two types of residential loans, but reasonable given the high household poverty rate in this AA and the affordability rate of housing. Lending to moderate-income borrowers is slightly lower than the aggregate for home purchases and refinances, but is higher than the aggregate for home improvement loans. The bank's lending to low- and moderate-income borrowers is impacted by a number of factors, including the poverty level and the affordability of housing within this AA. Approximately 26.9% of households within this AA have incomes below the poverty level, 38.6% are on social security, and the average median housing value is \$76,946. Residential lending activity is also negatively impacted by the limited owner-occupied housing available in AA1 within low-and moderate-income census tracts. Owner-occupied housing in the low to moderate income (LMI) tracts compared to total owner occupied units in Scott County was only 21.4%.

**Table 2 - Borrower Distribution of Residential Real Estate Loans in Non MSA AA 1**

Borrower Income Level	Low		Moderate		Middle		Upper	
Loan Type	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans
Purchase	25.21	4.20	17.95	13.45	20.76	16.81	36.07	60.50
Improvement	25.21	16.67	17.95	18.75	20.76	18.75	36.07	43.75
Refinance	25.21	16.90	17.95	15.57	20.76	13.76	36.07	58.94

Source: Data reported under HMDA; U.S. Census data. Income NA for 5.04% home purchase, 2.08% home improvement, and 1.41% refinance.

### Business Loans

The distribution of loans to businesses reflects excellent penetration among businesses of different sizes, and exceeds the standard ratio. FNB Oneida's loans to small businesses with revenues below \$1.0 million exceeded the percentage of small businesses with business revenues of less than \$1.0 million within AA1 by the loan number percentage (90.0%), but was lower for the loan amount percentage (43.8%) based on one \$1.0 million loan with revenue exceeding \$1.0 million greatly exceeding the total loan amount of loans with revenues less than \$1.0 million. The following table provide the specific data on lending to businesses within AA1 based on 2010 U.S. Census data.

**Table 2A - Borrower Distribution of Loans to Businesses in Non MSA AA 1**

Business Revenues (or Sales)	≤\$1,000,000	>\$1,000,000	Unavailable/ Unknown	Total
% of AA Businesses	78.17%	6.03%	15.80%	100%
% of Bank Loans in AA by #	90.0%	10.0%	0	100%
% of Bank Loans in AA by \$	43.8% (1)	56.2% (1)	0	100%

Source: Loan sample; Dunn and Bradstreet data.

(1) % distorted by 1 loan totaling \$1.0 million

Table 2C with bank-only information reflects the bank's lending of different loan sizes of business loan originations within AA1 and shows that the bank originated a high level (95%) of small business loans in amounts of \$250,000 or less within its assessment area to support small businesses.

**Table 2C - Borrower Distribution of Loans to Businesses by Loan Size in Non MSA AA 1**

Loan Size (000's)	Number of Loans	Percent of Number	Dollar Volume of Loans	Percent of Dollar Volume
\$0 - \$100,000	17	85%	650,365	34.2%
\$100,001 - \$250,000	2	10%	242,232	12.7%
\$250,001 - \$500,000	0	0 %	0	0 %
\$500,001 - \$1,000,000	0	0 %	0	0 %
Over \$1,000,000	1	5 %	1,008,510	53.1 % (1)

Source: Loan sample.

(1) % distorted by 1 loan totaling \$1.0 million



## Assessment Area 2: Knoxville MSA - Campbell Counties

The distribution of loans reflects a reasonable penetration among individuals of different income levels and excellent penetration among businesses of different sizes.

### Home Loans

The distribution of home loans to borrowers of different income levels reflects reasonable penetration. Table 2 below reflects that FNB Oneida's lending to low-income borrowers within AA2 is low compared to the aggregate for purchase and refinance types of residential loans, but reasonable given the high household poverty rate in this AA and the affordability rate of housing. Home improvement loan activity for low income borrowers is slightly lower than the aggregate. cannot be reasonably assessed based on the bank's limited lending activity of only 11 total home improvement loans granted during the review period. Lending to moderate-income borrowers is significantly higher than the aggregate for improvement and refinance loans, but is lower than the aggregate for home purchase loans. FNB Oneida's lending to low and moderate income borrowers is impacted by a number of factors, including the poverty level and the affordability of housing within this AA. Approximately 24.5% of households within this AA have incomes below the poverty level, 43.4% are on social security, and the average median housing value is \$85,433. The bank's lower level of loan penetration among low- to moderate-income borrowers in AA2 is also influenced by the fact that the bank has only one branch within AA2, which is located in a middle income census tract. Residential lending activity is also negatively impacted by the limited owner-occupied housing available in AA2 within low-and moderate-income census tracts. Owner-occupied housing in the LMI tracts compared to total owner occupied units in Campbell County was only 54%.

Borrower Income Level	Low		Moderate		Middle		Upper	
	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans
Purchase	37.71	18.18	21.03	15.91	19.78	18.18	21.47	34.09
Improvement	37.71	33.33	21.03	33.33	19.78	22.22	21.47	11.11
Refinance	37.71	17.65	21.03	35.29	19.78	17.65	21.47	23.53

Source: Data reported under HMDA; U.S. Census data. Income NA for 13.64% Home Purchase, and 5.88% Refinance.

### Business Loans

The distribution of loans to businesses reflects excellent penetration among businesses of different sizes, and exceeds the standard ratio. FNB Oneida's loans to small businesses with revenues below \$1.0 million exceeded the percentage of small businesses with business revenues of less than \$1.0 million within AA2 by both the loan number percentage (92.8%) and the loan amount percentage (92.0%). The following table provide the specific data on lending to businesses within AA2 based on 2010 U.S. Census data.

Revised Tables 2A May 2004

<b>Table 2A - Borrower Distribution of Loans to Businesses in MSA AA 2</b>				
Business Revenues (or Sales)	≤\$1,000,000	>\$1,000,000	Unavailable/ Unknown	Total
% of AA Businesses	78.80%	5.17%	16.03%	100%
% of Bank Loans in AA by #	92.8%	7.2%	0	100%
% of Bank Loans in AA by \$	92.0%	8.0%	0	100%

Source: Loan sample; Dunn and Bradstreet data.

Table 2C with bank-only information reflects FNB Oneida's lending of different loan sizes of business loan originations within AA2 and shows that the bank originated a high level (92.8%) of small business loans in amounts of \$250,000 or less within its assessment area to support small businesses.

<b>Table 2C - Borrower Distribution of Loans to Businesses by Loan Size in MSA AA 2</b>				
Loan Size (000's)	Number of Loans	Percent of Number	Dollar Volume of Loans	Percent of Dollar Volume
\$0 - \$100,000	10	71.4%	377,545	30.4%
\$100,001 - \$250,000	3	21.4%	354,148	28.5%
\$250,001 - \$500,000	0	0 %	0	0 %
\$500,001 - \$1,000,000	1	7.2%	510,924	41.1%
Over \$1,000,000	0	0 %	0	0%

Source: Business Loan sample.

## Geographic Distribution of Loans

The geographic distribution of loans reflects reasonable dispersion throughout the bank's AAs.

FNB Oneida's geographic distribution of residential real estate loans and loans to businesses in low- and moderate-income census tracts reflects reasonable dispersion for residential loans and excellent dispersion for business loans throughout AA1. Lending throughout AA2 reflects reasonable dispersion for residential loans and business loans

### Assessment Area 1: Non-MSA Scott County

The geographic distribution of loans reflects reasonable dispersion for residential loans and excellent dispersion for business loans throughout AA1. AA1 does not have any low-income census tracts. FNB Oneida's residential real estate lending reflects reasonable dispersion in the only moderate-income census tract for Scott County, which hinders with only one moderate and no low income CT. FNB Oneida's lending to businesses in AA1 reflects excellent dispersion, with 25.0% of loans in the sample made to businesses in moderate-income tracts. The following tables provide further data on residential and business lending by census tract level within AA1.

**Table 3 - Geographic Distribution of Residential Real Estate Loans in Non MSA AA 1**

Census Tract Income Level	Low (1)		Moderate		Middle		Upper (1)	
	% of AA Owner Occupied Housing	% of Number of Loans	% of AA Owner Occupied Housing	% of Number of Loans	% of AA Owner Occupied Housing	% of Number of Loans	% of AA Owner Occupied Housing	% of Number of Loans
Purchase	0.00	0.00	21.41	10.98	78.59	89.08	0.00	0.00
Improvement	0.00	0.00	21.41	16.67	78.59	83.33	0.00	0.00
Refinance	0.00	0.00	21.41	16.90	78.59	83.17	0.00	0.00

Source: Data reported under HMDA; U.S. Census data.  
 (1) No low or upper income census tracts in Scott County

**Table 3A - Geographic Distribution of Loans to Businesses in Non MSA AA 1**

Census Tract Income Level	Low (1)		Moderate		Middle		Upper (1)	
	% of AA Businesses	% of Number of Loans	% of AA Businesses	% of Number of Loans	% of AA Businesses	% of Number of Loans	% of AA Businesses	% of Number of Loans
Businesses	0.00	0.00	14.55	25.0	85.45	75.0	0.00	0.00

Source: Business loan sample and D & B data.  
 (1) No low or upper income census tracts in Scott County

**Assessment Area 2: Knoxville MSA - Campbell Counties**

The geographic distribution of loans reflects reasonable dispersion for residential loans and business loans within AA2. FNB Oneida’s overall residential real estate lending reflects excellent dispersion for the low income census tract, especially based on the county only having one low income census tract, and reasonable dispersion for the moderate income census tracts. FNB Oneida’s lending to businesses in AA2 reflects lower penetration to the only low income tract, but a reasonable penetration to moderate-income tracts compared to the percent of businesses located in those census tracts. Numerous financial institutions established much longer in the county than FNB Oneida create a significant challenge in obtaining business and residential loans from established borrowers in the county. The following tables provide further data on residential and business lending by tract level within AA2.

**Table 3 - Geographic Distribution of Residential Real Estate Loans in MSA AA 2**

Census Tract Income Level	Low		Moderate		Middle		Upper	
	% of AA Owner Occupied Housing	% of Number of Loans	% of AA Owner Occupied Housing	% of Number of Loans	% of AA Owner Occupied Housing	% of Number of Loans	% of AA Owner Occupied Housing	% of Number of Loans
Purchase	8.14	13.64	45.80	22.73	46.06	63.64	0.00	0.00
Improvement	8.14	11.11	45.80	22.22	46.06	66.67	0.00	0.00
Refinance	8.14	11.76	45.80	35.29	46.06	52.94	0.00	0.00

Source: Data reported under HMDA; U.S. Census data.

<b>Table 3A - Geographic Distribution of Loans to Businesses in MSA AA 2</b>								
Census Tract Income Level	Low		Moderate		Middle		Upper	
Loan Type	% of AA Businesses	% of Number of Loans	% of AA Businesses	% of Number of Loans	% of AA Businesses	% of Number of Loans	% of AA Businesses	% of Number of Loans
Businesses	15.90	7.2	35.96	21.4	48.14	71.4	0.00	0.00

Source: Business loan sample and D & B data.

## Responses to Complaints

Neither the bank nor the OCC have received any public comments or complaints regarding the bank's CRA performance since the 2011 CRA examination.

## Fair Lending or Other Illegal Credit Practices Review

Pursuant to 12 CFR 25.28(c), or 12 CFR 195.28(c), in determining a national bank's or Federal Savings Association's (FSA) CRA rating, respectively, the OCC considers evidence of discriminatory or other illegal credit practices in any geography by the bank or FSA, or in any assessment area by an affiliate whose loans have been considered as part of the bank's or FSA's lending performance.

We found no evidence of discriminatory or other illegal credit practices inconsistent with helping to meet community credit needs. The previous full scope OCC examination performed in January 2016 did not identify any evidence of discriminatory acts or practices.