



PUBLIC DISCLOSURE

June 10, 2019

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

First National Bank and Trust
Charter Number 1926

2 Kelli Court
Clinton, Illinois 61727

Office of the Comptroller of the Currency

Champaign Field Office, Harris Center, 3001 Research Road, Suite E-2, Champaign, IL 61822

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.

Table of Contents

| | |
|--|------------|
| OVERALL CRA RATING | 2 |
| SCOPE OF THE EVALUATION | 4 |
| DISCRIMINATORY OR OTHER ILLEGAL CREDIT PRACTICES REVIEW | 4 |
| STATE RATING | 6 |
| STATE OF ILLINOIS | 6 |
| APPENDIX A: SCOPE OF EXAMINATION | A-1 |
| APPENDIX B: SUMMARY OF MMSA AND STATE RATINGS | B-1 |
| APPENDIX C: DEFINITIONS AND COMMON ABBREVIATIONS | C-1 |
| APPENDIX D: TABLES OF PERFORMANCE DATA | D-1 |

Overall CRA Rating

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

The lending test is rated: Satisfactory.

The major factors that support this rating include:

- The Lending Test rating is based on the State of Illinois rating, which is Satisfactory.
- While the bank's loan-to deposit ratio is unreasonable, all farm loans were originated within the assessment area (AA). When considering the in/out ratio, in addition to the adjusted loan-to-deposit-ratio, these facts support a Satisfactory Lending Test rating.
- Geographic distribution of farm loans in the AA is reasonable.

Loan-to-Deposit Ratio

Considering the bank's size, financial condition, and credit needs of the AA, First National Bank and Trust's (FNBT or bank) loan-to-deposit ratio is unreasonable. The bank's low loan-to-deposit ratio is unreasonable as FNBT commands the largest deposit market share in De Witt County. FNBT's loan-to-deposit ratio averaged 29.7 percent over the past 18 quarters. The timeframe used for this calculation represents the first quarter-end after the start of the last CRA evaluation through March 31, 2019.

Over the past 18 quarters, the bank's loan-to-deposit ratio deteriorated from a high of 40.7 percent to a low of 12.3 percent at September 30, 2018. The loan to deposit ratio at March 31, 2019, was 13.2 percent. FNBT's loan-to-deposit ratio has been less than the 29.7 percent average for the past nine quarters, since the change in ownership occurred. The bank's average loan-to-deposit ratio was significantly lower than the average of similarly situated banks in and around the AA. We reviewed the loan-to-deposit ratios for all banks with total assets less than \$360.0 million headquartered in De Witt, Logan, Macon, McLean, and Piatt Counties. This group of 16 similarly situated banks averaged a loan-to-deposit ratio of 68.4 percent. FNBT was the third largest bank in total assets and has the lowest loan-to-deposit ratio average in this group.

Bank management began utilizing brokered deposits in 2017 and Internet deposits in 2018 to grow total assets. The bank also has a significant amount of secured public deposits. Combined public, brokered, and Internet deposits total \$97.5 million and represent 58 percent of total deposits, as of March 31, 2019. Excluding public, brokered, and Internet deposits, the bank's average loan-to-deposit ratio improves to 42.3 percent from 29.7 percent. However, the adjusted loan-to-deposit ratio is still substantially lower than the average for similarly situated banks. Bank management also began referring applicants for long-term fixed-rate home loans to a third party mortgage company in October 2017. Between 2017 and 2018, the mortgage broker facilitated the origination of eight home loans for \$1.3 million that FNBT referred. This supports management's efforts to provide access to loans. As these loans are not on the bank's books, they do not increase the loan-to-deposit ratio.

Lending in Assessment Area

A substantial majority of the bank’s farm loans are originated inside its AA. The bank originated and purchased 100.0 percent of farm loans inside the bank’s AA during the evaluation period. This analysis was performed at the bank, rather than the AA, level.

| 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 | | |
| | # | % | # | % | | \$ | % | \$ | % | |
| Small Farm | 20 | 100.0 | 0 | 0.0 | 20 | 4,657.4 | 100.0 | 0 | 0.0 | 4,657.4 |

Source: Evaluation Period: 1/1/2016 - 12/31/2018 Bank Data, Sample of 20 farm loans.

Description of Institution

FNBT is a \$171.8 million intrastate financial institution headquartered in Clinton, Illinois (IL). FNBT is a full-service banking institution with one location in IL. On January 1, 2017, FNBT was acquired by TS Contrarian Bancshares Inc. (TSCBI) in Treynor, Iowa (IA). TSCBI is owned by GGC, LLP and Treynor Bancshares Inc. (TBI) and is headquartered in Treynor, IA. Other affiliates include The Bank of Tioga in North Dakota, owned by TSCBI, Treynor State Bank in IA, owned by TBI, and Treynor Statutory Trust I, owned by TBI.

FNBT has one AA that includes DeWitt County in IL, a portion of the Bloomington IL MSA (#14060). The bank has two ATMs. One deposit-taking ATM is located at the bank’s headquarters, and there is one non-deposit taking ATM located at a drive-up facility at 400 West Jefferson Street. The bank has not opened or closed any branches during the evaluation period. In addition to its branch network, FNBT’s delivery channels include Internet banking, mobile banking, telephone banking, and bank by mail. FNBT offers conventional deposit and loan products.

As of December 31, 2018, the bank’s loan portfolio totaled \$21.5 million, or 12.5 percent of total assets. Tier 1 capital was \$14.7 million. The following table represents the loan portfolio mix:

| Loan Portfolio Summary by Loan Product | |
|--|---------------------------------|
| Loan Category | % of Outstanding Dollars |
| Home Loans | 48.5% |
| Farm Loans, including farmland | 25.5% |
| Business Loans, including Commercial Real Estate | 24.0% |
| Consumer loans | 2.0% |

Source: December 31, 2018 Uniform Bank Performance Report (UBPR)

FNBT’s business strategy is focused on the investment portfolio, which represents 79.2 percent of total assets. Municipal bonds represent 70.2 percent of the portfolio; none from the AA. Mortgage backed securities represent 13.4 percent of the portfolio. The bank’s lending strategy is to meet the financial needs of the communities it serves with an emphasis on farm loans. There are no known financial impediments limiting the bank’s ability to help meet the credit needs of its local community, including low- and moderate-income families and neighborhoods. During the evaluation period, the bank

experienced some staffing turnover/shortage and customer defection following the change in ownership. Per bank management, the loan department is now adequately staffed. FNBT received a “Satisfactory” rating during the December 22, 2014 evaluation, under the small bank evaluation procedures.

Scope of the Evaluation

Evaluation Period/Products Evaluated

We evaluated FNBT’s CRA performance using small bank evaluation procedures. We reviewed the bank’s record of meeting the credit needs of its AA through lending activities. The evaluation period for this review was from January 1, 2016, to December 31, 2018.

Based on both the number and dollar volume of loan origination data supplied by the bank, FNBT’s primary lending product was farm loans. We sampled farm loans for this evaluation.

For analysis purposes, we compared the bank’s lending performance with demographic data from the 2010 United States (U.S.) Census, the 2015 American Community Survey (ACS) U.S. Census, and 2016 and 2018 Dun and Bradstreet (D&B) Data. The income designation of some census tracts (CTs) in the AAs changed in 2017, based upon the 2015 ASC. Therefore, we reviewed the 2016 loan samples separately from the 2017 and 2018 loan samples. No affiliate activity was included in this analysis. Refer to the table in Appendix A for more information on the scope of the review.

Selection of Areas for Full-Scope Review

FNBT has one AA in the State of Illinois, and we completed a full-scope review of that AA. A community profile for the AA is provided in the “Scope” section in the State of Illinois portion of this evaluation.

Ratings

The bank’s overall rating is based on the State of Illinois rating. The State of Illinois rating is based on the AA full-scope review. We placed more weight on performance in 2016 given the higher volume of originations in both number (61.0 percent) and dollar (55.0 percent). Refer to the “Scope” section under the state rating section for details regarding how the areas and loan products were weighted in arriving at the respective ratings.

Discriminatory or Other Illegal Credit Practices Review

Pursuant to 12 CFR 25.28(c) or 195.28(c), respectively, 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 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 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 Illinois

CRA rating for the State of Illinois: Satisfactory.

The Lending Test is rated: Satisfactory.

The major factor that supports this rating is:

- The bank exhibits reasonable geographic distribution of loans in the AA. Moderate-income CTs make up 40 percent of the AA. However, the number of farms within these tracts are limited.
- While the bank's loan-to-deposit ratio is unreasonable, all farm loans were originated within the AA. When considering the in/out ratio, in addition to the adjusted loan-to-deposit-ratio, these facts support a Satisfactory Lending Test rating within the State of Illinois.

Description of Institution's Operations in Illinois

FNBT has one AA within the State of Illinois rating area. The AA consists of DeWitt County. The bank operates one branch in the State of Illinois. There were no other branch openings or closings in the state during the evaluation period.

Refer to the community profile for the State of Illinois below for detailed demographics and other performance context information for the AA that received a full-scope review.

| Table A – Demographic Information of the Assessment Area | | | | | | |
|---|----------|-----------------------|------------------------------|--------------------------|-------------------------|-----------------------|
| Assessment Area: 2016 | | | | | | |
| Demographic Characteristics | # | Low % of # | Moderate % of # | Middle % of # | Upper % of # | NA* % of # |
| Geographies (Census Tracts) | 5 | 0.0 | 40.0 | 60.0 | 0.0 | 0.0 |
| Population by Geography | 16,561 | 0.0 | 38.9 | 61.1 | 0.0 | 0.0 |
| Housing Units by Geography | 7,506 | 0.0 | 40.3 | 59.7 | 0.0 | 0.0 |
| Owner-Occupied Units by Geography | 5,178 | 0.0 | 36.1 | 63.9 | 0.0 | 0.0 |
| Occupied Rental Units by Geography | 1,633 | 0.0 | 51.0 | 49.0 | 0.0 | 0.0 |
| Vacant Units by Geography | 695 | 0.0 | 46.0 | 54.0 | 0.0 | 0.0 |
| Businesses by Geography | 768 | 0.0 | 40.0 | 60.0 | 0.0 | 0.0 |
| Farms by Geography | 94 | 0.0 | 21.3 | 78.7 | 0.0 | 0.0 |
| Family Distribution by Income Level | 4,653 | 29.8 | 23.3 | 22.9 | 24.0 | 0.0 |
| Household Distribution by Income Level | 6,811 | 27.8 | 21.6 | 19.4 | 31.1 | 0.0 |
| Median Family Income MSA - 14010 Bloomington, IL MSA | | \$74,930 | Median Housing Value | | | \$101,603 |
| | | | Median Gross Rent | | | \$560 |
| | | | Families Below Poverty Level | | | 6.4% |
| <i>Source: 2010 U.S. Census and 2016 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> | | | | | | |

| Table A – Demographic Information of the Assessment Area | | | | | | |
|---|----------|-----------------------|------------------------------|--------------------------|-------------------------|-----------------------|
| Assessment Area: 2018 | | | | | | |
| Demographic Characteristics | # | Low % of # | Moderate % of # | Middle % of # | Upper % of # | NA* % of # |
| Geographies (Census Tracts) | 5 | 0.0 | 40.0 | 60.0 | 0.0 | 0.0 |
| Population by Geography | 16,388 | 0.0 | 43.4 | 56.6 | 0.0 | 0.0 |
| Housing Units by Geography | 7,522 | 0.0 | 43.6 | 56.4 | 0.0 | 0.0 |
| Owner-Occupied Units by Geography | 5,359 | 0.0 | 39.0 | 61.0 | 0.0 | 0.0 |
| Occupied Rental Units by Geography | 1,481 | 0.0 | 64.3 | 35.7 | 0.0 | 0.0 |
| Vacant Units by Geography | 682 | 0.0 | 34.3 | 65.7 | 0.0 | 0.0 |
| Businesses by Geography | 729 | 0.0 | 47.6 | 52.4 | 0.0 | 0.0 |
| Farms by Geography | 86 | 0.0 | 14.0 | 86.0 | 0.0 | 0.0 |
| Family Distribution by Income Level | 4,481 | 21.2 | 25.0 | 26.4 | 27.4 | 0.0 |
| Household Distribution by Income Level | 6,840 | 27.6 | 16.8 | 19.8 | 35.8 | 0.0 |
| Median Family Income MSA - 14010 Bloomington, IL MSA | | \$81,357 | Median Housing Value | | | \$106,747 |
| | | | Median Gross Rent | | | \$607 |
| | | | Families Below Poverty Level | | | 9.9% |
| <i>Source: 2015 ACS Census and 2018 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> | | | | | | |

The AA consists of all of De Witt County. The AA is located in central IL within the Bloomington, IL MSA (#14060). Clinton, IL, is approximately 20 miles from both Bloomington and Decatur, IL, at the crossroads of State Routes 10, 51, and 54. The AA meets the requirements of the regulation and does not arbitrarily exclude low- or moderate-income (LMI) geographies. There are no low-income CTs in the AA. There are two moderate-income CTs in the AA.

The 2015 ACS changed the income designation of two CTs in the AA in 2017. Between 2016 and 2017, CT 9714 was changed to middle-income from moderate-income, and CT 9717 was changed to moderate-income from middle-income.

Both the bank headquarters and the Jefferson Street ATM are located in a moderate-income CT. Competition in the AA comes from five FDIC-insured deposit institutions. As of June 30, 2018, FNBT's deposits in the AA totaled \$147.4 million, which was 37.5 percent of the market. The bank's deposit market share ranked first out of five FDIC-insured deposit institutions, per the June 2018 FDIC deposit market share data. The top three depository institutions accounted for 83.1 percent of total

deposits in the AA. The depository institutions with the second and third highest deposit market share were State Bank of Lincoln and De Witt Savings Bank.

Employment and Economic Factors

Economic conditions are stable, but weaker than state and national economies based upon unemployment rates. According to the Bureau of Labor Statistics, unemployment in De Witt County was 6.2 percent in December 2018. The state and national unemployment rates were 4.4 percent and 3.9 percent, respectively, in December 2018.

Industries driving the local economy include agriculture, manufacturing, retail, and healthcare and social assistance. The largest employers in De Witt County are Exelon Corporation, John Warner Hospital, Miller Container, HNC Products Inc., and De Witt County governments and school districts. Many residents commute to Bloomington and Decatur for employment.

Farms in the AA total 86 and 96.5 percent are small farms with gross annual revenues of \$1 million or less. D&B did not have revenue information for 2.3 percent of AA farms. Farms located in the moderate-income CTs total 12, or 14.0 percent.

Community Contact

We performed one community contact with an economic development organization and reviewed one recent community contact with a local realtor. Identified credit needs include small business loans, particularly for start-up companies; small farm loans; and support for affordable housing, including home improvement loans, down payment and closing cost assistance programs; and financial literacy programs.

The AA demographics reflect a need for credit and social services as 53.1 percent of families are LMI in 2016 and 46.2 percent in 2018. Families living below the poverty level increased from 6.4 percent in 2016 to 9.9 percent in 2018. AA geographies are 40 percent moderate-income, with 39.8 percent of the population living in the moderate-income CTs in 2016 and 43.4 percent in 2018.

Scope of Evaluation in Illinois

This analysis reflect a full-scope review of the AA in this state.

Refer to the table in Appendix A: Scope of Examination for additional information.

LENDING TEST

The bank's performance under the Lending Test in the State of Illinois is rated Satisfactory. Based on the findings of this full-scope review, lending performance in the State of Illinois is reasonable overall. All primary product loans reviewed were originated within the AA, which balances out the unreasonable loan-to-deposit ratio. Additionally, the geographic distribution is reasonable. The borrower distribution is excellent, but does not have a significant impact on the rating due to the low loan-to-deposit ratio.

Distribution of Loans by Income Level of the Geography

The bank exhibits reasonable geographic distribution of farm loans in the State of Illinois. The AA reflects reasonable penetration in the moderate-income geographies. The geographic distribution of small loans to farms is reasonable, given the limited opportunity to lend to farms in the moderate-income CTs. This conclusion was based upon FNBT's performance in moderate-income geographies in the AA. There were no low-income geographies in the AAs. There were no unexplained conspicuous lending gaps noted.

Small Loans to Farms

Based on the data in Table S and the following performance context considerations, we concluded the geographic distribution of the bank's originations and purchases of small loans to farms in Illinois is reasonable. Weak performance in 2016 pulled down the overall conclusion to reasonable.

Refer to Table S in appendix D for the facts and data used to evaluate the geographic distribution of the bank's origination and purchase of small loans to farms.

Overall, the geographic distribution of small loans to farms in the AA is reasonable. We placed the most weight on performance in 2016 based on the volume of farm loans originated during the evaluation period. There were two moderate-income tracts (40.0 percent) in 2016, 2017, and 2018 within this AA. However, the moderate-income CTs changed between 2016 and 2017. While CT 9718 remained moderate-income throughout the evaluation period, CT 9714 was moderate-income only in 2016 and CT 9717 became moderate-income in 2017. CT 9714 is in the northeast corner of De Witt County and includes the town of Farmer City. In 2017 and 2018, both moderate-income CTs were primarily located within the Clinton city limits. The small number of farms in the moderate-income CTs limited the opportunity to originate farm loans in these CTs. There were no low-income tracts in this AA in 2016, 2017, or 2018.

The distribution of FNBT's small loans to farms in 2016 in the moderate-income CTs was poor. The proportion of loans in the moderate-income CTs was weaker than the proportion of farms in that geography and the aggregate distribution of loans in that geography. There were 20 farms (representing

21.3 percent of all farms in the AA) located in the moderate-income CTs in the AA in 2016. Based on our sample, the bank made no farm loans in the moderate-income CTs in 2016.

The distribution of FNBT's small loans to farms in 2017 and 2018 in moderate-income geographies was excellent. The proportion of loans in moderate-income tracts was weaker than the proportion of farms in those geographies, but significantly stronger than the aggregate distribution of loans in those geographies. There were only 12 farms (representing 14.0 percent of all farms in the AA) located in the moderate-income CTs within the AA in 2017 and 2018.

Lending Gap Analysis

We reviewed summary reports and maps and analyzed FNBT'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 in the State of Illinois. The bank had primary product originations in three out of five CTs within the AA; no farm loans were originated in CT 9714 or CT 9718. However, the number of farms in the moderate-income CTs is small, which limits lending opportunities. CT 9718 is primarily located within the Clinton city limits, where few farms are located. Also, there is competition from a larger bank in Farmer City for loans in CT 9714. We noted other types of loans (business, home, and consumer) were originated in CT 9718, but only one consumer loan was originated in CT 9714. Farmer City is 18 miles northeast of Clinton. This is primarily explained by the location of the bank facility and competition that serves Farmer City.

Distribution of Loans by Income Level of the Borrower

The bank exhibits excellent distribution of loans to farms of different sizes, given the product lines offered by the bank. The distribution of small loans to farms by revenue is excellent.

Small Loans to Farms

Based on the data in Table T and the following performance context considerations, we concluded the distribution of the bank's originations and purchased of small loans to farms by revenue in Illinois is excellent.

Refer to Table T in appendix D for the facts and data used to evaluate the borrower distribution of the bank's originations and purchases of small loans to farms.

The overall borrower distribution of small loans to farms in the AA is excellent. A substantial majority of the farm loans sampled were made to small farms (at least 90 percent in both analyses).

FNBT's distribution of small loans to farms in 2016 by revenue was excellent. The bank's proportion of loans was comparable to the percentage of small farms in the AA, and significantly stronger than the aggregate distribution of loans to those farms.

FNBT's distribution of small loans to farms in 2017 and 2018 by revenue was excellent. The bank's proportion of loans was comparable to the percentage of small farms in the AA, and significantly stronger than the aggregate distribution of loans to those farms.

Responses to Complaints

FNBT has not received any complaints regarding its CRA performance during the evaluation period.

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

| | | |
|---|-------------------------------|--------------------------|
| Time Period Reviewed: | (1/31/2016 to 12/31/2018) | |
| Bank Products Reviewed: | small farm | |
| Affiliate(s) | Affiliate Relationship | Products Reviewed |
| None | | |
| List of Assessment Areas and Type of Examination | | |
| Rating and Assessment Areas | Type of Exam | Other Information |
| State of Illinois | | |
| AA | Full-scope | |
| | | |

Appendix B: Summary of State Ratings

| Overall Bank: | Lending Test Rating |
|-------------------------------|---------------------|
| First National Bank and Trust | Satisfactory |
| State: | |
| Illinois | Satisfactory |
| | |

Appendix C: Definitions and Common Abbreviations

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

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

Aggregate Lending (Aggt.): The number of loans originated and purchased by all reporting lenders (HMDA or CRA) in specified income categories as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the state/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 S. Assessment Area Distribution of Loans to Farms by Income Category of the Geography** - The percentage distribution of the number of small loans (less than or equal to \$500,000) to farms originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of farms (regardless of revenue size) throughout those geographies. The table also presents aggregate peer data for the years the data is available. Because aggregate small farm data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank’s assessment area.
- Table T. Assessment Area Distribution of Loans to Farms by Gross Annual Revenues** - Compares the percentage distribution of the number of small loans (loans less than or equal to \$500 thousand) originated and purchased by the bank to farms with revenues of \$1 million or less to: 1) the percentage distribution of farms with revenues of greater than \$1 million; and, 2) the percentage distribution of farms for which revenues are not available. The table also presents aggregate peer small farm data for the years the data is available.

| Table S - Assessment Area Distribution of Loans to Farms by Income Category of the Geography | | | | | | | | | | | | | | | | | | | 2016 |
|--|----------------------|-----------|------------|----------------|-------------------|--------------|-----------|------------------------|--------------|-----------|----------------------|--------------|-----------|---------------------|--------------|-----------|-----------------------------|--------------|-------------|
| Assessment Area: | Total Loans to Farms | | | | Low-Income Tracts | | | Moderate-Income Tracts | | | Middle-Income Tracts | | | Upper-Income Tracts | | | Not Available-Income Tracts | | |
| | # | \$ ('000) | % of Total | Overall Market | % Farms | % Bank Loans | Aggregate | % Farms | % Bank Loans | Aggregate | % Farms | % Bank Loans | Aggregate | % Farms | % Bank Loans | Aggregate | % Farms | % Bank Loans | Aggregate |
| AA | 20 | 3,789.6 | -- | 71 | 0.0 | -- | 0.0 | 21.3 | 0.0 | 26.8 | 78.7 | 100.0 | 73.2 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| <i>Source: 2016 D&B Data; 01/01/2016 - 12/31/2016 Bank Data; 2016 CRA Aggregate Data. Due to rounding, totals may not equal 100.0</i> | | | | | | | | | | | | | | | | | | | |

| Table S - Assessment Area Distribution of Loans to Farms by Income Category of the Geography | | | | | | | | | | | | | | | | | | | 2017-18 |
|--|----------------------|-----------|------------|----------------|-------------------|--------------|-----------|------------------------|--------------|-----------|----------------------|--------------|-----------|---------------------|--------------|-----------|-----------------------------|--------------|----------------|
| Assessment Area: | Total Loans to Farms | | | | Low-Income Tracts | | | Moderate-Income Tracts | | | Middle-Income Tracts | | | Upper-Income Tracts | | | Not Available-Income Tracts | | |
| | # | \$ ('000) | % of Total | Overall Market | % Farms | % Bank Loans | Aggregate | % Farms | % Bank Loans | Aggregate | % Farms | % Bank Loans | Aggregate | % Farms | % Bank Loans | Aggregate | % Farms | % Bank Loans | Aggregate |
| AA | 20 | 3,169.3 | -- | 81 | 0.0 | 0.0 | 0.0 | 14.0 | 10.0 | 2.5 | 86.0 | 90.0 | 97.5 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| <i>Source: 2018 D&B Data; 01/01/2017 - 12/31/2018 Bank Data; 2017 CRA Aggregate Data. Due to rounding, totals may not equal 100.0</i> | | | | | | | | | | | | | | | | | | | |

| Table T: Assessment Area Distribution of Loans to Farms by Gross Annual Revenues | | | | | | | | | | | 2016 |
|--|----------------------|-----------|------------|----------------|----------------------------|--------------|-----------|---------------------------|--------------|-----------------------------------|--------------|
| Assessment Area: | Total Loans to Farms | | | | Farms with Revenues <= 1MM | | | Farms with Revenues > 1MM | | Farms with Revenues Not Available | |
| | # | \$ ('000) | % of Total | Overall Market | % Farms | % Bank Loans | Aggregate | % Farms | % Bank Loans | % Farms | % Bank Loans |
| AA | 20 | 3,789.6 | -- | 71 | 98.9 | 95.0 | 56.3 | 0.0 | 5.0 | 1.1 | 0.0 |
| <i>Source: 2016 D&B Data; 01/01/2016 - 12/31/2016 Bank Data; 2016 CRA Aggregate Data. Due to rounding, totals may not equal 100.0</i> | | | | | | | | | | | |

| Table T: Assessment Area Distribution of Loans to Farms by Gross Annual Revenues | | | | | | | | | | | 2017-18 |
|--|----------------------|---------|------------|----------------|----------------------------|--------------|-----------|---------------------------|--------------|-----------------------------------|----------------|
| Assessment Area: | Total Loans to Farms | | | | Farms with Revenues <= 1MM | | | Farms with Revenues > 1MM | | Farms with Revenues Not Available | |
| | # | \$ | % of Total | Overall Market | % Farms | % Bank Loans | Aggregate | % Farms | % Bank Loans | % Farms | % Bank Loans |
| AA | 20 | 3,169.3 | -- | 81 | 96.5 | 90.0 | 51.9 | 1.2 | 10.0 | 2.3 | 0.0 |
| <i>Source: 2018 D&B Data; 01/01/2017 - 12/31/2018 Bank Data; 2017 CRA Aggregate Data. Due to rounding, totals may not equal 100.0</i> | | | | | | | | | | | |