



Public Disclosure

August 16, 1999

Community Reinvestment Act Performance Evaluation

First National Bank & Trust Company
Charter Number: 1467

801 E. Broadway
Columbia, MO 65201

Office of the Comptroller of the Currency

Kansas City North Field Office
6700 Antioch, Suite 450
Merriam, KS 66204-1200

NOTE: 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

- General Information 1**
- Definitions and Common Abbreviations 2**
- Overall CRA Rating 5**
- Description of Institution 6**
- Scope of Evaluation 7**
- Fair Lending Review 8**
- Conclusions with Respect to Performance Tests**
 - Lending Test 9
 - Investment Test 16
 - Service Test 18
- Appendix A: Scope of Evaluation A1**
- Appendix B: Market Profiles for Areas Receiving Full-Scope Reviews B1**
- Appendix C: Tables of Performance Data C1**

General Information

The Community Reinvestment Act (CRA) requires each federal financial supervisory agency to use its authority, when examining financial institutions subject to its supervision, to assess the 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. Upon conclusion of such examination, the agency must prepare a written evaluation of the institution's record of meeting the credit needs of its community.

*This document is an evaluation of the CRA performance of **First National Bank & Trust Company** prepared by the **Office of the Comptroller of the Currency (OCC)**, the institution's supervisory agency, as of August 16, 1999. The agency evaluates performance in assessment area(s), as they are delineated by the institution, rather than individual branches. This assessment area evaluation may include the visits to some, but not necessarily all of the institution's branches. The agency rates the CRA performance of an institution consistent with the provisions set forth in Appendix A to 12 C.F.R. Part 25.*

Definitions and Common Abbreviations

The following terms and abbreviations are used throughout this Performance Evaluation. 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 by another company. A company is under common control with another company if both companies are directly or indirectly controlled by the same company. A bank subsidiary is controlled by the bank and is, therefore, an affiliate.

Block Numbering Area (BNA) - Statistical subdivisions of counties in which census tracts have not been established. BNAs have been established by the United States Census Bureau in conjunction with state agencies.

Census Tract (CT) - Small, locally defined statistical areas within metropolitan statistical areas. These areas are determined by the United States Census Bureau in an attempt to group homogenous populations. A CT has defined boundaries per ten year census and an average population of 4,000.

Community Development (CD) - Affordable housing for low- or moderate-income individuals; community services targeted to low- or moderate-income individuals; activities that promote economic development by financing businesses or farms that meet the size eligibility standards of the Small Business Administration's Development Company or Small Business Investment Company programs (13 C.F.R. 121.301)) or have gross annual revenues of \$1 million or less; or, activities that revitalize or stabilize low- or moderate-income geographies.

Community Reinvestment Act (CRA) - The statute that requires the OCC to evaluate a bank's record of meeting the credit needs of its local community, 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.

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

Geography - A census tract or a block numbering area 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 do 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, and the disposition of the application (e.g., approved, denied, withdrawn).

Home Mortgage Loans - Such loans include home purchase and home improvement loans, as defined in the HMDA regulation. This definition also includes multifamily (five or more families) dwellings loans, loans for the purchase of manufactured homes and refinancings of home improvement and home purchase loans.

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, branch distribution).

Low-Income - Income levels that are less than 50% of the median family income.

Median Family Income (MFI) - The median income determined by the United States Census Bureau every ten years and used to determine the income level category of geographies. Also, the median income determined by the Department of Housing and Urban Development 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 it and half below it.

Metropolitan Statistical Area (MSA) - Area defined by the Director of the United States Office of Management and Budget. MSAs consist of one or more counties, including large population centers and nearby communities that have a high degree of interaction.

Middle-Income - Income levels that are at least 80% and less than 120% of the MFI.

Moderate-Income - Income levels that are at least 50% and less than 80% of the MFI.

Small Business Loans - Loans with original amounts of \$1 million or less that are: (1) secured by nonfarm nonresidential properties; or (2) commercial and industrial loans to U.S. addresses.

Small Farm Loans - Loans with original amounts of \$500 thousand or less that are: (1) secured by farmland; or (2) to finance agricultural production and other loans to farmers.

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

Upper-Income - Income levels that are 120% or more of the MFI.

Overall CRA Rating

Institution’s CRA Rating: This institution is rated **“Satisfactory.”**

The following table indicates the performance level of **First National Bank & Trust Company (FNB&T)** with respect to the Lending, Investment, and Service Tests:

Performance Levels	(Name of Depository Institution) Performance Tests		
	Lending Test*	Investment Test	Service Test
Outstanding			
High Satisfactory	x		x
Low Satisfactory		x	
Needs to Improve			
Substantial Noncompliance			

* The Lending Test is weighted more heavily than the Investment and Service Tests when arriving at an overall rating.

The major factors that support this rating include:

- < FNB&T has made substantial contributions to the assessment area in the form of community development services. Delivery systems are accessible to geographies and individuals of different income levels. The level of community development services provided by bank employees is high and related to needs of the bank’s assessment area (AA) population.
- < FNB&T has made a significant investment of time and expense to operate the Entrepreneur Resource Center, specifically designed to benefit small businesses. The bank has also made numerous other monetary donations to support the LMI community.
- < FNB&T’s penetration of loans throughout the AA, including low- and moderate-income (LMI) CTs, is satisfactory. Lending volumes are excellent, and the bank is meeting the needs of its assessment area. FNB&T offers innovative and flexible lending products to serve the needs of LMI applicants.
- < The overall distribution of lending by borrower income level for mortgage loans and small farms is satisfactory. Excellent performance is noted in the bank’s lending to small businesses of different revenue sizes.

Description of Institution

FNB&T is located in Columbia, Missouri. As of June 30, 1999, the bank had total assets of \$311 million. In addition to its main office in downtown Columbia, FNB&T has seven additional branches. Five of those branches offer drive-through facilities. The bank operates twelve ATMs throughout Columbia and Boone County. FNB&T is a full-service bank and offers a wide variety of products and services.

First Missouri Bancorporation, Inc. (FMBI), a one-bank holding company, owns 95% of FNB&T. FMBI is located in Columbia, Missouri and has total assets of \$311 million as of June 30, 1999. FMBI is primarily owned by The Landrum Company, which also controls six other national banks. These banks are considered affiliates. The Landrum Company has total assets of approximately \$730 million.

FNB&T has one AA which includes all of Boone County. This area comprises the entire Columbia, Missouri metropolitan statistical area (MSA).

As of June 30, 1999, the bank's net loans and leases totaled \$213 million. This represents 68% of the bank's total assets. This percentage is similar to the bank's national peer group. The bank's loan portfolio consisted of 45% residential real estate and construction/development loans, 39% commercial and commercial real estate loans, 11% loans to individuals, 3% agricultural and farmland loans, and 2% all other loans. Tier 1 Capital during this period totaled \$24 million.

The bank's primary business focus is commercial lending to small- and medium-sized businesses. Residential real estate lending is also a significant product for the bank. The bank offers a full range of credit and deposit products. Additionally, FNB&T offers trust services, merchant processing and retail non-deposit investment sales.

There are no legal, financial, or other factors impeding the bank's ability to help meet the credit needs in its AA. There have not been any merger or acquisition activities during the evaluation period.

The OCC assigned a rating of "Outstanding" during the last CRA evaluation dated November 12, 1997. This is the bank's first CRA evaluation as a Large Bank.

Scope of the Evaluation

Evaluation Period/Products Evaluated

Our evaluation period is **from January 1, 1998 to December 31, 1998**. For the lending test, we reviewed HMDA and CRA data (small business and small farm loans), community development lending, investments, and services for the entire evaluation period.

Data Integrity

We verified the accuracy of HMDA and CRA data used for our evaluation in August 1999. Examiners reviewed a sample of 30 HMDA loans, 30 Small Business loans and 35 Small Farm loans. Examiners increased the sample for Small Farm loans because 4 of 30 files (13%) in the original sample were found to be incorrectly coded. Management reviewed the remaining Small Farm loans prior to our examination to ensure the data's integrity. Overall, we concluded the bank's data was accurate and the information used for this analysis is reliable.

Selection of Areas for Full-Scope Review

FNB&T only has one AA (Boone County AA), which represents the entire Columbia, Missouri MSA. Examiners assessed the bank's performance within this AA and the overall rating is based on their performance within MSA 1740.

Ratings

The bank's overall rating is based entirely on their performance within the Boone County AA (MSA 1740). Examiners gave primary weight to the bank's home mortgage lending and lending to small businesses. The bank's overall volume of agricultural lending is very small.

Other

Examiners made one community contact during this examination. In addition, a community contact had been made in conjunction with another CRA examination within the last month. Examiners also reviewed the information acquired during that contact. The contact made during the FNB&T examination made comments specifically related to the small business lending market. The contact stated there were two very aggressive small business lenders in the Boone County area, and that small business needs appeared to be well met. The contact was not aware of any opportunities or special projects where local financial institutions could

participate, other than participating with the Small Business Administration loan program.

Fair Lending Review

We found no violations of substantive provisions of the anti-discrimination laws and regulations. Using gender as our prohibited basis group, we compared the terms on home purchase loans originated **between March 26, 1999 and October 1, 1999**. Our sample included 20 loans to individual females and 20 loans to individual males.

Conclusions with Respect to Performance Tests

LENDING TEST

The bank's performance under the Lending Test is rated "High Satisfactory". Based on a full-scope review, the bank's lending to borrowers of different income levels and businesses of different sizes is good. FNB&T's penetration of loans throughout the AA, including low- and moderate-income (LMI) CTs, is also good. Lending volumes are excellent. FNB&T approved 87% of all mortgage loan applications in 1998, and 80% of applications made by LMI borrowers. The bank did not originate any new community development loans during 1998, however, there are limited opportunities in the AA. Community contacts did not mention any opportunities for participation outside of the projects FNB&T is currently involved with. FNB&T offers innovative and/or flexible lending practices to serve the credit needs of LMI applicants. The primary product for the bank in the evaluation period was mortgage lending. Mortgage loans represented 71% of the volume of originations by number and 76% of all loan originations by dollar. The bank's primary focus is small business lending. These loan categories were given more weight in the overall analysis.

Lending Activity

FNB&T's volume of lending in the AA shows the bank is meeting the identified credit needs of the community. Seventy-one percent of the bank's CRA reportable loans for 1998 were mortgage loans, and 25% were loans to small businesses. FNB&T maintained significant market share in each of the CRA reportable loan categories (home mortgage, small business, and small farm). FNB&T held 17% of the market share for deposits in Boone County as of June 30, 1998. FNB&T ranked second of the twelve banks reported in Boone County.

The volume of mortgage loans originated in the assessment area reflects good responsiveness. FNB&T made 1,000 mortgage loans totaling \$90 million in the assessment area during the evaluation period. This represented 93% of all mortgage loans originated by the bank. FNB&T ranks second out of the twelve reporting lenders in the AA for market share in each category of mortgage loans originated (home purchase, home improvement, and refinancings). FNB&T did not receive any applications for multi-family loans during the evaluation period.

Lending levels reflect good responsiveness to business credit needs. During the evaluation period, FNB&T originated 375 small business loans totaling \$28 million. Of those, 356 (95%) were located in the bank's AA. FNB&T ranked second in

overall market share for small business lending with 17%. The top small business lender made 39% of the market's loans.

Lending reflects good responsiveness to farm credit needs. The bank originated 55 small farm loans totaling \$2.1 million during the evaluation period. Eighty-five percent of those loans were located within the AA. FNB&T rated first in overall market share with 31% of all small farm loans made in 1998.

Refer to Table 1-Lending Volume in the Appendix of this document for information used to evaluate the bank's lending activity.

Distribution of Loans by Income Level of the Geography

FNB&T has satisfactory distribution throughout the AA for mortgage and small business loans. The bank did not make any of their farm loans in low- or moderate-income census tracts.

Home Mortgage Loans

The level of home mortgage loans is slightly below the level of owner-occupied housing in each of the low- and moderate-income census tracts. Overall mortgage lending reflects 1.60% of mortgage loans were made in low-income census tracts and 6.50% were made in moderate-income census tracts. The low- and moderate-income census tracts have 2.42% and 10.3% of the total owner-occupied housing, respectively. The bank's lending levels are reasonable, as 38% of families in the low-income tracts and 18% of families in moderate-income tracts are below the poverty level and would likely not qualify for credit.

Refer to Table 2- Geographic Distribution of Home Purchase Loan Originations, Table 3 - Geographic Distribution of Home Improvement Loan Originations, and Table 4 - Geographic Distribution of Home Mortgage Refinance Loan Originations in the Appendix of this document for information used to evaluate the geographic distribution of FNB&T's home mortgage loan originations.

Small Business Loans

The level of lending to small businesses throughout the AA closely matches the area's demographics. FNB&T made 21% of their small business loans in low-income census tracts, and 14% of their loans in moderate-income census tracts. This compares well with the number of businesses located in those areas. For the AA, 26% of small businesses are located in low-income CT's, and 15% are located in moderate-income tracts.

For middle- and upper-income CT's, the bank made 45% and 20% of their small business loans respectively. For the AA, 46% of businesses are located in the middle-income CT's, and 12% of businesses are in the upper-income tracts.

Refer to Table 5-Geographic Distribution of Small Business Loan Originations in the Appendix of this document for the facts and data used to evaluate the geographic distribution of the bank's small business loan originations.

Small Farm Loans

FNB&T did not make any small farm loans in low- or moderate-income census tracts. Four percent of the farms in the AA are located in low-income tracts, and an additional 4% are in the moderate-income tracts. There were only three loans made by all lenders in low- and moderate-income tracts in 1998.

Refer to Table 6-Geographic Distribution of Small Farm Loan Originations in the Appendix of this document for the facts and data used to evaluate the geographic distribution of the bank's small farm loan originations.

Distribution of Loans by Income Level of the Borrower

FNB&T's overall distribution of lending by borrower income level for mortgage loans and small farms is satisfactory. Excellent performance is noted in the bank's lending to small businesses of different revenue sizes.

Home Mortgage Loans

FNB&T shows reasonable penetration among borrowers of different income sizes within the AA. Performance is above demographics (percent of families in the AA) regarding home purchase loans to moderate-income borrowers. Loans to low-income persons for all types of home mortgage loans are below area demographics. However, 9% of the families in the AA are considered below the poverty level and would likely not qualify for credit.

Refer to Table 7-Borrower Distribution of Home Purchase Loan Originations, Table 8-Borrower Distribution of Home Improvement Loan Originations and Table 9-Borrower Distribution of Home Mortgage Refinance Loan Originations in the Appendix of this document for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations.

Small Business Loans

FNB&T shows excellent distribution of lending to businesses of different sizes, with a significant majority of loans to businesses with revenues of \$1 million or less. Performance is above demographics, as 72% of businesses have revenues of \$1 million or less, but 84% of the loans made by FNB&T were to those businesses. In addition, 81% of small business loans made by the bank were for amounts of \$100 thousand or less.

Refer to Table 10-Borrower Distribution of Small Business Loan Originations in the Appendix of this document for the facts and data used to evaluate the borrower distribution of the bank's small business loan originations.

Small Farm Loans

FNB&T shows good distribution of lending to small farms. Farms with revenues of \$1 million or less make up 97% of all farms in the AA. FNB&T made 98% of their loans to farms with revenues under \$1 million. Also, 89% of the small farm loans made by FNB&T were for amounts of \$100 thousand or less.

Refer to Table 11-Borrower Distribution of Small Farm Loan Originations in the Appendix of this document for the facts and data used to evaluate the borrower distribution of the bank's small business loan originations.

Community Development Lending

The bank did not originate any community development loans during the evaluation period. There were limited opportunities available for the bank to originate community development loans in 1998. The bank has participated in these types of projects in the past. Recent contacts within the community did not indicate any additional projects available for bank participation.

Refer to Table 1-Lending Volume in the Appendix of this document for the facts and data used to evaluate the bank's level of community development lending.

Product Innovation and Flexibility

FNB&T uses the following innovative and/or flexible lending practices to serve the credit needs of LMI applicants for various lending products.

- < Low-Down Payment Home Loan Program: This product is specifically designed to assist LMI home buyers. The loan allows for 98% financing, with no limit on the loan amount. No points are charged and Private Mortgage Insurance is not required. The property can be located anywhere within Boone County. Borrowers must attend the Consumer Credit Home Buyer School. FNB&T made five of these loans totaling \$251,546 during the evaluation period.
- < Homeownership Assistance Program: This program is offered by the City of Columbia to low- and moderate-income borrowers for up to \$2,000 in assistance on homes located in certain areas of the City. The funds can be used for closing costs or repairs, but the borrower must contribute at least 2% for a down-payment. The bank works in conjunction with the city to offer their low down-payment loan to a borrower receiving this grant. FNB&T participated with the city on two of these loans during the evaluation period totaling \$124,621.
- < Small Business Administration Loans (SBA): The SBA program allows customers to obtain loans outside normal lending practices. In addition, assistance is provided to developing businesses. During our evaluation period, the bank made five loans totaling \$481,500.

- < Missouri Department of Agriculture - FFA & 4H Student Loans: This program provides loans to students enrolled in either the FFA or 4H programs, with an advisor or guardian as co-signer. The loans are set up on a two-year payoff, where the State of Missouri pays half of the interest payments and guarantees 50% of the loan. The loans are generally used to purchase livestock. The bank could not provide specific information on the volume of these loans for the evaluation period. Loan officers indicated FNB&T usually averages ten to twelve of these loans per year.

The bank also participates in the Freddie Mac loan program which allows families to purchase a home with fixed-rate financing. This program requires a 5% down payment in which 2% can come from family members, employers, and unsecured loan, or grant funds.

FNB&T also sells loans to the secondary market, which allows for fixed rate mortgages to be available to all loan customers. The bank retains the servicing on these mortgages to ensure all customers have a local contact to discuss any potential problems.

INVESTMENT TEST

Conclusions

The bank's performance under the Investment Test is rated "Low Satisfactory". Based on our reviews, the bank's performance in the AA is good considering the limited opportunities available, other than monetary contributions. Community contacts were not aware of any specific community development investment vehicles.

During our evaluation period, the bank made several donations to various organizations that primarily serve low- and moderate-income individuals. Additionally, the bank houses the Entrepreneur Resource Center which is directly marketed as a free service to small businesses. Significant investments and their descriptions follow.

- < Entrepreneur Resource Center - This center is located within the bank's main branch office and is funded and run solely by the bank. It provides free, light consulting in such areas as business plan development, marketing plan development, personnel issues, sales development, life directions and Internet training to small businesses. The bank has defined a small business as one employing less than 100 persons. The Center offers a library of books, magazines, audio- and video-tapes to serve as references for local business owners. The center conducts various small scale seminars and sends out a monthly newsletter containing business management tips. The bank estimates its in-kind donation to be approximately \$18 thousand per year which includes estimated rents, and actual expenses.
- < Charitable Donations - The bank made over \$9 thousand in charitable donations to agencies which *directly* benefit low- and moderate-income individuals in 1998. Some examples of these agencies are the Columbia Regional Economic Development Corporation, Voluntary Action Center and the Central Missouri Food Bank.
- < My Own Backyard - FNB&T participates in the Home Buyer program with Consumer Credit Counseling and donated \$500 for the purchase of the materials needed to run the program. This program helps to provide affordable housing for LMI families by giving them the education they need to qualify for various loan programs and grants throughout the city.

In addition, the bank has two equity investments outstanding from the previous evaluation period totaling \$99 thousand.

- < Columbia Community Development Corporation (CCDC) - Organized in 1994, this CDC is made up of seven area banks. FNB&T purchased capital stock in the amount of \$28,035 with the initial investment being made in 1994, and additional contributions provided in 1995 and 1997. The CDC has built five homes, renovated two others and is building two more in the central city. Two of the homes were built during the evaluation period. Invested funds provide the capital for the single-family projects which are sold when completed to LMI individuals or families. Resale of the properties have been sufficient to continue the operations of the entity so there have been no additional capital calls to date.

- < Missouri Affordable Housing Fund II, Limited Partnership - This partnership has provided capital to 25 project partnerships that develop and operate housing for low- and moderate-income persons and families. The projects qualify for Missouri low-income housing tax credits. FNB&T initially invested \$383 thousand of which there is currently \$71 thousand remaining. The projects are located throughout the state of Missouri.

Refer to Table 12-Qualified Investments in the Appendix of this document for the facts and data used to evaluate the bank's level of qualified investments.

SERVICE TEST

The bank's performance under the Service Test is rated as "High Satisfactory". Based on our review, the bank's performance is excellent within the AA. Delivery systems are accessible to geographies and individuals of different income levels. The level of community development services provided by bank employees is high and related to the needs of the bank's AA population.

Retail Banking Services

FNB&T's delivery systems are accessible to geographies and individuals of different income levels within its AA. The bank has eight full-service branches across the AA, of which six are located within low- or moderate-income geographies. Hours of operation are flexible and varied. All drive-up facilities offer extended hours from Monday through Friday. All of the branches and drive-ups also have Saturday hours. In addition, the Wal-Mart facility offers services on Sunday. During our evaluation period, the bank opened one branch located in a moderate-income census tract. FNB&T has not closed any branches since the last CRA evaluation.

The bank has twelve automated teller machines (ATMs) in its AA which are accessible 24 hours. Seven of the ATMs are located at the branches, and the remaining five are stand alone ATMs. Seven of the twelve ATMs are located in either low- or moderate-income geographies.

The bank offers the following services products in the Boone County AA:

- < Free checking: FNB&T offers the Totally Free Checking account, with no monthly fees or minimum balance required and unlimited check writing.
- < InTouch phone banking: This is a 24-hour account information hotline. Customers can check their balance, verify checks paid and deposits made, and also get information on CD and loan balances.

Refer to Table 13-Distribution of Branch and ATM Delivery System in the Appendix to this document for the facts and data used to evaluate the distribution of the bank's branch and ATM delivery system.

Community Development Services

FNB&T has provided a high level of community development services considering the limited opportunities in the Boone County MSA. Services provided in the AA include:

- < Partners In Education: FNB&T has teamed up with Blue Ridge Elementary to provide mentoring for students in need of academic assistance, teach students basic concepts of handling money and other interactive activities. The bank has also started a small savings bank in the school that allows the students to participate in the operations as well as open accounts. The bank pays the students interest at a higher than normal rate to show them the benefits of saving money. Employees serve as mentors and volunteers. They also serve on committees running the Mentor Program and the Dollars & Sense program. The school is located in an LMI area.
- < Columbia Area United Way: FNB&T has provided a "loaned executive" for four weeks each year for the past eleven years. This program has been in operation for 23 years. The executives are responsible for helping plan, develop, and organize workplace campaigns in organizations that are potential donors. Several employees also serve on the Board, and two employees serve as Co-chairs on major fund raising campaigns. The United Way promotes social services targeted to LMI persons, and 72% of their funds in 1998 were donated to agencies specifically assisting low- and moderate-income families.
- < My Own Backyard: FNB&T, in cooperation with Consumer Credit Counseling, conducted a pre-purchase Homebuyer Education Program. The programs purpose is to provide general financial advice to low- and moderate-income participants, as well as advice on purchasing a home. Two of the bank's lenders conducted the home buying portion of one seminar in 1998.
- < Rainbow House: An FNB&T employee serves on the board of this agency, which provides emergency shelter for children under 18 years of age. The employee assists with fund raising activities and has served as both President and Treasurer. The employee continues to provide assistance on budgeting.
- < Rural Missouri Incorporated: This state agency makes small business loans to individuals and companies that do not qualify for traditional credit. A holding company employee represents the bank as a member of the agency's loan committee.
- < Salvation Army/Harbor House Capital Campaign: This agency provides substantial community services targeted to low- and moderate-income individuals and families. The Harbor House initiative is to raise funds to build an emergency shelter and other facilities for the homeless. Several bank employees serve on the board of this organization, including an EVP who also serves on the Finance Committee, and FNB&T's President who works on the Capital Campaign.

- < Voluntary Action Center (VAC): This agency serves as a reference point for the entire low- and moderate-income community. They provide several services, but refer the community to the various other social service agencies for those they do not provide. The VAC offers transportation vouchers, fans, food, and prescription and eyeglass vouchers. The center also runs an Adopt-a-Family program for Christmas where community members adopt local families and purchase their Christmas gifts and holiday dinner. The program's success has allowed for excess funds to be used to establish a Children's Fund which assists in the purchase of sport and band equipment for families that can not afford it. A FNB&T employee serves on the Board of this organization, and is primarily responsible for fund raising.

- < Various Social Service Agencies: Bank employees also serve on the Boards of the various other social service agencies which are geared towards assisting the low- and moderate-income community. These organizations include: Alternative Community Training Center, Advent Enterprises, Columbians for a Community Recreation Center, Central Missouri Food Bank, and the Community Harvest Food Pantry.

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 metropolitan and nonmetropolitan areas 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	Lending Test: January 1, 1998 to December 31, 1998 Investment Test: January 1, 1998 to December 31, 1998 Service Test: January 1, 1998 to December 31, 1998	
Financial Institution	Products Reviewed	
First National Bank & Trust Company Columbia, Missouri	Mortgage loans, Small Business and Small Farm loans	
Affiliate(s)	Affiliate Relationship	Products Reviewed
Not applicable		
List of Assessment Areas and Type of Examination		
Assessment Area	Type of Exam	Other Information
Boone County MSA #1740	Full-scope	

Appendix B: Market Profiles for Full-Scope Areas

Boone County MSA #1740

Demographic Information for Full-Scope Area: (Name of MSA or Nonmetropolitan Area)						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA % of #
Geographies (Census Tracts/BNAs)	29	17.24	17.24	51.72	13.79	0
Population by Geography	112,379	14.07	15.57	52.82	17.54	0
Owner-Occupied Housing by Geography	23,081	2.42	10.30	63.43	23.85	0
Businesses by Geography	5010	26.37	15.29	46.35	12.00	0
Farms by Geography	383	4.18	4.18	80.16	11.49	0
Family Distribution by Income Level	25,939	19.20	18.50	23.21	39.10	0
Distribution of Low- and Moderate-Income Families throughout AA Geographies		12%	19%	59%	10%	
Median Family Income	= \$34,122	Median Housing Value				= \$66,805
HUD Adjusted Median Family Income for 1998	= \$49,700	Unemployment Rate (July , 1998)				= 1.7%
Households Below the Poverty Level	= 17.3%					

Source: 1990 U.S. Census and 19XX HUD updated MFI.

This AA includes all of Boone County, which comprises the entire Columbia, Missouri Metropolitan Statistical Area (MSA) #1740. FNB&T has 17% of the deposits within the AA, which ranks second out of twelve banks located in the area. This is the bank's only AA, and does not arbitrarily exclude any areas, as it contains an entire MSA. All of the bank's eight branches are located within Boone County. There are a total of twelve ATMs in the bank's AA. Economic conditions in the AA are very good. Major employers in Boone County are the three University/Colleges, and several health care/hospital facilities. FNB&T's primary business focus is small business loans. The bank also originates a large volume of mortgage loans. These products meet the needs of the community and benefit LMI people and geographies.

Appendix C: Tables of Performance Data

Content of Standardized Tables

The tables cover the entire CRA evaluation period. 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: purchased loans are treated as originations; market rank is based on the number of loans made by the bank as compared to all other lenders in the MSA/assessment area; and market share is the number of loans originated by the bank as a percentage of the aggregate number of reportable loans originated by all lenders in the MSA/assessment area. The following is a listing and brief description of the tables included in each set:

- Table 1. Lending Volume** - Presents the number and dollar amount of reportable loans originated by the bank over the evaluation period by MSA/assessment area.
- Table 2. Geographic Distribution of HMDA Home Purchase Loan Originations** - Compares the percentage distribution of the number of loans originated 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 market rank and market share information based on the most recent aggregate market data available.
- Table 3. Geographic Distribution of HMDA Home Improvement Loan Originations** - See Table 2.
- Table 4. Geographic Distribution of HMDA Refinance Loan Originations** - See Table 2.
- Table 5. Geographic Distribution of Small Business Loan Originations** - The percentage distribution of the number of small loans (< \$1 million) to businesses originated by the bank in low-, moderate-, middle- and upper-income geographies compared to the percentage distribution of businesses (regardless of revenue size) throughout those geographies. The table also presents market rank and market share information based on the most recent aggregate market data available.

- Table 6. Geographic Distribution of Small Farm Loan Originations** - The percentage distribution of the number of small loans (< \$500,000) to farms originated 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 market rank and market share information based on the most recent aggregate market data available.
- Table 7. Borrower Distribution of HMDA Home Purchase Loan Originations** - Compares the percentage distribution of the number of loans originated by the bank to low-, moderate-, middle- and upper-income borrowers to the percentage distribution of families by income level in each MSA/assessment area. The table also presents market rank and market share information based on the most recent aggregate market data available.
- Table 8. Borrower Distribution of HMDA Home Improvement Loan Originations** - See Table 7.
- Table 9. Borrower Distribution of HMDA Refinance Loan Originations** - See Table 7.
- Table 10. Borrower Distribution of Small Business Loan Originations** - Compares the percentage distribution of the number of small loans (< \$1 million) originated by the bank to businesses with revenues of \$1 million or less to the percentage distribution of businesses with revenues of \$1 million or less. The table also presents the percentage distribution of the number of loans originated by the bank by loan size, regardless of the revenue size of the business. Market share information is presented based on the most recent aggregate market data available.
- Table 11. Borrower Distribution of Small Farm Loan Originations** - Compares the percentage distribution of the number of small loans (< \$500 thousand) originated by the bank to farms with revenues of \$1 million or less to the percentage distribution of farms with revenues of \$1 million or less. The table also presents the percentage distribution of the number of loans originated by the bank by loan size, regardless of the revenue size of the farm. Market share information is presented based on the most recent aggregate market data available.
- Table 12. Qualified Investments** - Presents the number and dollar amount of qualified investments made by the bank in each MSA/assessment area.

Table 13. Distribution of Branch and ATM Delivery System - Compares the percentage distribution of the number of the bank's retail branches and ATMs in low-, moderate-, middle- and upper-income geographies to the percentage of the population within each geography.

Table 14. Geographic and Borrower Distribution of Consumer Loan Originations (OPTIONAL) - For geographic distribution, the table 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 the population within each geography. For borrower distribution, the table 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 of households by income level in each MSA/assessment area.

Table 1. Lending Volume

LENDING VOLUME		State: Missouri				Evaluation Period: January 1, 1998 to December 31, 1998						
MSA/Assessment Area:	% of Total Bank Deposits in Rated Area	Home Mortgage		Small Business		Small Farm		Community Development		Total Reported Loans		% of Total Reported Bank Loans in Rated Area
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	
Full-Scope:												
Boone County MSA #1740	17.12%	1,075	\$94,929	375	\$28,455	55	\$2,155	0	\$0	1,505	\$125,539	100%
Limited-Scope:												
Not applicable												

Table 2. Geographic Distribution of Home Purchase Loan Originations

Geographic Distribution: HOME PURCHASE																State: Missouri		Evaluation Period: January 1, 1998 to December 31, 1998	
MSA/Assessment Area:	Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Home Purchase Loans				
	% Owner Occ Units	% BANK Loans	% Owner Occ Units	% BANK Loans	% Owner Occ Units	% BANK Loans	% Owner Occ Units	% BANK Loans		Overall	Low	Mod	Mid	Upp	#	% of Total			
Full-Scope:																			
Boone County MSA #1740	2.42%	2.33%	10.30%	8.64%	63.43%	48.84%	23.85%	40.20%	2	11%	10%	10%	8%	19%	302	100%			
Limited-Scope:																			
Not applicable																			

(*) Based on 1998 Aggregate HMDA Data only.

Table 3. Geographic Distribution of Home Improvement Loan Originations

Geographic Distribution: HOME IMPROVEMENT																State: Missouri		Evaluation Period: January 1, 1998 to December 31, 1998	
MSA/Assessment Area:	Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Home Improvement Loans				
	% Owner Occ Units	% BANK Loans	% Owner Occ Units	% BANK Loans	% Owner Occ Units	% BANK Loans	% Owner Occ Units	% BANK Loans		Overall	Low	Mod	Mid	Upp	#	% of Total			
Full-Scope:																			
Boone County MSA #1740	2.42%	2.33%	10.30%	4.65%	63.43%	48.84%	23.85%	44.19%	2	18%	11%	13%	14%	29%	43	100%			
Limited-Scope:																			
Not applicable																			

(*) Based on 1998 Aggregate HMDA Data only.

Table 4. Geographic Distribution of Home Mortgage Refinance Loan Originations

Geographic Distribution: HOME MORTGAGE REFINANCE																
State: Missouri																
Evaluation Period: January 1, 1998 to December 31, 1998																
MSA/Assessment Area:	Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Home Mortgage Refinance Loans	
	% Owner Occ Units	% BANK Loans	% Owner Occ Units	% BANK Loans	% Owner Occ Units	% BANK Loans	% Owner Occ Units	% BANK Loans		Overall	Low	Mod	Mid	Upp	#	% of Total
Full-Scope:																
Boone County MSA #1740	2.42%	1.22%	10.30%	5.64%	63.43%	51.52%	23.85%	41.62%	2	14%	17%	11%	11%	19%	655	100%
Limited-Scope:																
Not applicable																

(*) Based on 1998 Aggregate HMDA Data only.

Table 5. Geographic Distribution of Small Business Loan Originations

Geographic Distribution: SMALL BUSINESS																	State: Missouri		Evaluation Period: January 1, 1998 to December 31, 1998	
MSA/Assessment Area:	Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Small Business Loans					
	% of Businesses	% BANK Loans	% of Businesses	% BANK Loans	% of Businesses	% BANK Loans	% of Businesses	% BANK Loans		Overall	Low	Mod	Mid	Upp	#	% of Total				
Full-Scope:																				
Boone County MSA #1740	26.37%	20.53%	15.29%	13.87%	46.35%	45.07%	12%	19.73%	2%	17%	20%	20%	14%	21%	359	100%				
Limited-Scope:																				
Not applicable																				

(*) Based on 1998 Aggregate Small Business Data only.

Table 6. Geographic Distribution of Small Farm Loan Originations

Geographic Distribution: SMALL FARM		State: Missouri		Evaluation Period: January 1, 1998 to December 31, 1998													
MSA/Assessment Area:	Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall Market Rank*	Market Share by Geography*					Total Small Farm Loans		
	% of Farms	% BANK Loans	% of Farms	% BANK Loans	% of Farms	% BANK Loans	% of Farms	% BANK Loans		Overall	Low	Mod	Mid	Upp	#	% of Total	
Full-Scope:																	
Boone County MSA #1740	4.18%	0%	4.18%	0%	80.16%	87.27%	11.49%	12.73%	1	31%	0%	0%	30%	42%	48	100%	
Limited-Scope:																	
Not applicable																	

(*) Based on 1998 Aggregate Small Farm Data only.

Table 7. Borrower Distribution of Home Purchase Loan Originations

Borrower Distribution: HMDA HOME PURCHASE																State: Missouri		Evaluation Period: January 1, 1998 to December 31, 1998	
MSA/Assessment Area:	Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Overall Market Rank*	Market Share by Borrower Income**					Total Home Purchase Loans				
	% of Families	% BANK Loans*	% of Families	% BANK Loans*	% of Families	% BANK Loans*	% of Families	% BANK Loans*		Overall	Low	Mod	Mid	Upp	#	% of Total			
Full-Scope:																			
Boone County MSA #1740	19.20%	6.32%	18.50%	18.60%	23.21%	26.32%	39.10%	48.77%	2	11%	4%	8%	9%	17%	302	100%			
Limited-Scope:																			
Not applicable																			

(*) As a percentage of loans with borrower income information available. No information was available for 4.20% of loans originated by BANK.

(**) Based on 1998 Aggregate HMDA Data only.

Table 8. Borrower Distribution of Home Improvement Loan Originations

Borrower Distribution: HOME IMPROVEMENT																
State: Missouri																
Evaluation Period: January 1, 1998 to December 31, 1998																
MSA/Assessment Area:	Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Overall Market Rank*	Market Share by Borrower Income**					Total Home Improvement Loans	
	% of Families	% BANK Loans*	% of Families	% BANK Loans*	% of Families	% BANK Loans*	% of Families	% BANK Loans*		Overall	Low	Mod	Mid	Upp	#	% of Total
Full-Scope:																
Boone County MSA #1740	19.20%	14.29%	18.50%	11.90%	23.21%	23.81%	39.10%	50.00%	2	18%	22%	11%	14%	28%	43	100%
Limited-Scope:																
Not applicable																

(*) As a percentage of loans with borrower income information available. No information was available for 4.20% of loans originated by BANK.

(**) Based on 1998 Aggregate HMDA Data only.

Table 9. Borrower Distribution of Home Mortgage Refinance Loan Originations

Borrower Distribution: HOME MORTGAGE REFINANCE																State: Missouri		Evaluation Period: January 1, 1998 to December 31, 1998	
MSA/Assessment Area:	Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Overall Market Rank*	Market Share by Borrower Income**					Total Home Mortgage Refinance Loans				
	% of Families	% BANK Loans*	% of Families	% BANK Loans*	% of Families	% BANK Loans*	% of Families	% BANK Loans*		Overall	Low	Mod	Mid	Upp	#	% of Total			
Full-Scope:																			
Boone County MSA #1740	19.20%	4.28%	18.50%	14.26%	23.21%	24.09%	39.10%	57.37%	2%	14%	9%	12%	12%	17%	655	100%			
Limited-Scope:																			
Not applicable																			

(*) As a percentage of loans with borrower income information available. No information was available for 4.20% of loans originated by BANK.

(**) Based on 1998 Aggregate HMDA Data only.

Table 10. Borrower Distribution of Small Business Loan Originations

Borrower Distribution: SMALL BUSINESS			State: Missouri		Evaluation Period: January 1, 1998 to December 31, 1998						
MSA/Assessment Area:	Businesses with Revenues of \$1 million or less			Loans by Original Amount Regardless of Business Size			Market Share****		Total Small Business Loans		
	% of Businesses*	% BANK Loans**	% Market Loans***	\$100,000 or Less	> \$100,000 to \$250,000	> \$250,000 to \$1,000,000	All	Rev \$1 million or less	#	% of Total	Avg Loan Size
Full-Scope:											
Boone County MSA #1740	71.60%	83.99%	76.15%	81.20%	12.60%	6.20%	17.14%	18.65%	359	100%	\$74,000
Limited-Scope:											
Not applicable											

(*) As a percentage of businesses with known revenues.
 (**) As a percentage of loans with revenue information available. No information was available for 0% of loans originated by BANK.
 (***) The market consists of all other Small Business reporters in BANK's assessment area and is based on 1998 Aggregate Small Business Data only.
 (****) Based on 1998 Aggregate Small Business Data only.

Table 11. Borrower Distribution of Small Farm Loan Originations

Borrower Distribution: SMALL FARM											
State: Missouri			Evaluation Period: January 1, 1998 to December 31, 1998								
MSA/Assessment Area:	Farms with Revenues of \$1 million or less			Loans by Original Amount Regardless of Farm Size			Market Share****		Total Small Farm Loans		
	% of Farms*	% BANK Loans**	% Market Loans***	\$100,000 or Less	> \$100,000 to \$250,000	> \$250,000 to \$500,000	All	Rev \$1 million or less	#	% of Total	Avg Loan Size
Full-Scope:											
Boone County MSA #1740	97.39%	97.87%	94.50%	89.40%	8.50%	2.10%	30.57%	30.87%	48	100%	\$40,000
Limited-Scope:											
Not applicable											

(*) As a percentage of farms with known revenues.
 (**) As a percentage of loans with revenue information available. No information was available for 0% of loans originated by BANK.
 (***) The market consists of all other Small Farm reporters in BANK's assessment area and is based on 1998 Aggregate Small Farm Data only.
 (****) Based on 1998 Aggregate Small Farm Data only.

Table 12. Qualified Investments

QUALIFIED INVESTMENTS									
			State: Missouri		Evaluation Period: January 1, 1998 to December 31, 1998				
MSA/Assessment Areas:	Prior Period Investments*			Current Period Investments			Total Investments		
	#	\$ (000's)	%**	#	\$ (000's)	%**	#	\$ (000's)	% of Total \$'s
Full-Scope:									
Boone County MSA #1740	2	\$99	78%	3	\$28	22%	5	\$127	100%
Limited-Scope:									
Not applicable									

(*) "Prior Period Investments" means investments made in a previous evaluation period that remain outstanding.
 (**) Percentage of the dollars invested in that MSA/Assessment Area that are prior period investments or current period investments.

Table 13. Distribution of Branch and ATM Delivery System

DISTRIBUTION OF BRANCH AND ATM DELIVERY SYSTEM				State: Missouri				Evaluation Period: January 1, 1998 to December 31, 1998									
MSA/Assessment Area:	Deposits	Branches						ATMs				Population					
	% of Total BANK Deposits	# of BANK Branches	% of Total BANK Branches	Location of Branches by Income of Geographies				# of BANK ATMs	% of Total BANK ATMs	Location of ATMs by Income of Geographies				% of the Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Full-Scope:																	
Boone County MSA #1740	17.12%	8	100%	25%	37.5%	25%	12.5%	12	100%	17%	42%	25%	17%	14%	16%	53%	18%
Limited-Scope:																	
Not applicable																	

Table 14. Geographic and Borrower Distribution of Consumer Loan Originations (Optional)

Geographic and Borrower Distribution: CONSUMER LOANS																		State: Missouri		Evaluation Period: January 1, 1998 to December 31, 1998			
MSA/Assessment Area:	Geographic Distribution								Borrower Distribution														
	Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Total Consumer Loans						
	% of Pop*	% BANK Loans	% of Pop*	% BANK Loans	% of Pop*	% BANK Loans	% of Pop*	% BANK Loans	% of Hshlds	% BANK Loans	% of Hshlds	% BANK Loans	% of Hshlds	% BANK Loans	% of Hshlds	% BANK Loans	#	% of Total					
Full-Scope:																							
Not applicable.																							
Limited-Scope:																							
Not applicable																							

(*) The percentage of the population in the MSA/assessment area that resides in these geographies.