



## PUBLIC DISCLOSURE

September 29, 2014

## COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

The Vinton County National Bank  
Charter Number 2036

112 West Main Street, McArthur, Ohio 45651

Office of the Comptroller of the Currency

Westlake Center, 4555 Lake Forest Drive, Suite 520, Cincinnati, Ohio 45242

**NOTE:** This document is an evaluation of this institution's record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods consistent with safe and sound operation of the institution. This evaluation is not, nor should it be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion, or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.

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

**The Lending Test is rated: Satisfactory.**

**The Community Development Test is rated: Satisfactory.**

- The Loan-to-deposit (LTD) ratio in the review period is reasonable and comparable to the peer banks in its assessment areas (AAs).
- A majority of the bank's lending occurs within its AAs.
- The bank's loan distribution reflects reasonable penetration among individuals of different income levels, including low- and moderate-income borrowers.
- Vinton County National Bank's (VCNB's) geographic dispersion demonstrates a more than reasonable penetration among the moderate-income census tracts in both of the bank's AAs. There are no low-income CTs in either the MSA or non-MSA AAs.
- Responsiveness to meeting the AAs' community development (CD) needs is adequate.

## **Scope of Examination**

Our office conducted a Community Reinvestment Act (CRA) examination to assess VCNB's record of meeting the credit needs of its entire community, including low- and moderate-income areas. We used the intermediate small bank CRA evaluation procedures to perform the review. The evaluation under the Lending Test considered performance from January 1, 2012 through December 31, 2013 (lending evaluation period), excluding CD loans. The evaluation under the CD Test considered CD loans, investments, and services from October 1, 2011 through July 31, 2014 (CD evaluation period).

The bank's performance in residential real estate and consumer lending represent the bank's primary lending products as determined through discussions with management and review of the bank's data on loan originations during the evaluation period. We considered the residential real estate lending foremost in this CRA evaluation.

To evaluate performance for residential real estate lending, we reviewed home purchase, home improvement, and home refinance loans reported under the Home Mortgage Disclosure Act (HMDA) from January 1, 2012 through December 31, 2013. Additionally, we selected a judgmental sample of 20 consumer loans from each AA originated during the review period to evaluate performance for consumer lending. We used these files and the HMDA data first to perform the analysis of Lending in the AAs, then to perform the Borrower and Geographic Distribution analysis. We also conducted interviews with an individual representing a community organization.

## Description of Institution

VCNB is a wholly owned subsidiary of Community Bancshares, Inc. Both the main office and the holding company are headquartered in McArthur, Ohio, the county seat of Vinton County. The bank operates thirteen banking offices and three offsite Automatic Teller Machines (ATMs) in McArthur, Wilkesville, Chillicothe, Richmond Dale, Bremen, Lancaster, Canal Winchester, Pataskala, Logan, and Laurelville, Ohio. The bank closed the Tarlton branch in 2012, due to its close proximity to other branch locations. The branch was located in a middle-income census tract.

VCNB's primary focus remains retail lending. The bank offers a variety of standard lending products and services through their full service banking offices to accommodate the credit needs of borrowers throughout the AAs. There are no legal or economic impediments that could restrict the institution's ability to serve the community's credit needs. VCNB earned a Satisfactory rating from the prior CRA evaluation, dated September 26, 2011.

As of June 30, 2014, VCNB reported total assets of \$747.5 million and held \$93.8 million in Tier 1 Capital, per the Uniform Bank Performance Report. Net loans represent approximately 66.8 percent of total assets. As noted above, the bank's primary lending products are residential real estate loans and loans to consumers. The table below reflects the bank's total loans originated/purchased between January 1, 2012 and December 31, 2013.

<b>Primary Loan Types</b>		
Loans Originated/Purchased from January 1, 2012 to December 31, 2013		
<b>Loan Type</b>	<b>Percent by Number of Loans</b>	<b>Percent by Dollar of Loans</b>
Residential Real Estate Mortgage Loans	27.9%	51.4%
Consumer Loans	60.2%	16.6%
CRE Loans	8.1%	27.3%
Farm Loans	3.8%	4.5%
All Other Loans	0.0%	0.2%
<b>TOTAL LOANS ORIGINATED</b>	100.0%	100.0%

Source: Internal bank reports

## Description of Assessment Areas

The bank has two AAs; one is part of the Columbus Metropolitan Statistical Area #18140 (the MSA AA), and the other is a non-MSA AA. The MSA AA consists of one Census Tract (CT) (lower southeast edge) in Franklin County, four CTs (a section of the lower southwest CTs) in Licking County, one CT (lower southeast edge) in Pickaway County, and all of Fairfield County. The non-MSA is comprised of all of Vinton, Ross, and Hocking Counties. The non-MSA AA carries a little more weight in the lending test

analyses because the eight non-MSA branches originated over twice the number of HMDA loans during the review period than the seven MSA branches. Our community contact, representing the Vinton County Commissioners Development Department, indicated the area's economy is poor. The primary credit needs of the AA continue to be residential one-to-four family real estate loans (affordable housing loans), home repair or renovation loans, consumer loans, small business loans, and construction loans for the cost of infrastructure to enable the county's inhabitants to thrive. Although our contact stated the needs of the community for development funds are never satisfied, the local banks have stepped up time after time in many ways to promote the economic development of the county.

### **MSA AA**

According to 2010 Census data, the MSA AA consists of eight moderate-income CTs, 18 middle-income CTs, and eight upper-income CTs. There are no low-income CTs in this AA. The CTs in this AA are contiguous, meet the requirements of the CRA, and do not arbitrarily exclude any low- or moderate-income geographies. The bank has six banking offices throughout this AA. This AA has an adjusted median family income of \$67,900 and contains approximately 47,725 families. Of the 68,852 housing units in the AA, 71.5 percent are owner occupied. Of these owner-occupied units, 16.9 percent are in the moderate-income CTs, 49.4 percent are in the middle-income CTs, and 33.7 percent are in the upper-income CTs. Approximately 9.6 percent of the households live below the poverty level. The median housing value is \$163,668.

This AA contains all of Fairfield County and parts of Franklin, Pickaway, and Licking Counties in Ohio. Competition in the MSA AA is strong due to the numerous branches of many larger regional and national banks, as well as the many local community banks, savings and loan institutions, and credit unions. VCNB ranks thirteenth among all banks in the counties of Fairfield, Franklin, Licking, and Pickaway with 0.70 percent of the deposit market share per the June 30, 2013 FDIC Deposit Market Share Report.

As of December 2013, the unemployment rate in Fairfield County, OH was 5.6 percent, lower than the Ohio average rate of 6.6 percent and the U.S. rate of 6.7 percent. The unemployment rates for Franklin, Pickaway, and Licking Counties were 5.4 percent, 6.9 percent, and 5.9 percent, respectively in December 2013. The largest employment sectors in Fairfield County were the county and city school systems, the medical center, and Anchor Hocking.

### **Non-MSA AA**

This AA contains all of Vinton, Ross, and Hocking Counties. According to the 2010 Census data, this AA consists of seven moderate-income CTs, 17 middle-income CTs, and three upper-income CTs. There are no low-income CTs in this AA. The CTs in this AA are contiguous, meet the requirements of the CRA, and do not arbitrarily exclude low- or moderate-income level geographies. The bank has seven banking offices throughout this AA.

The non-MSA AA has an adjusted median family income of \$53,000 and contains approximately 31,315 families. Of the 51,365 housing units in the AA, 64.9 percent are owner occupied, divided among the various CTs, with 19.4 percent in the moderate-income CTs, 69.1 percent in the middle-income CTs, and 11.5 percent in the upper-income CTs. Approximately 16.4 percent of the households live below the poverty level. The median housing value is \$109,169.

The economic conditions of the AA are depressed. The FDIC's Market Share Report as of June 30, 2013 shows VCNB ranks first for deposits in Vinton, Ross, and Hocking Counties, with 27.2 percent of the total market share. As of December 2013, the unemployment rate for Vinton, Ross, and Hocking Counties equaled 9.6 percent, 7.9 percent, and 7.2 percent, respectively, exceeding the state's 6.6 percent and national's 6.7 percent levels. The major employers in the three-county area are Austin Powder Company, the Crownover Lumber Company, the school systems, the state of Ohio, the three county governments, and the healthcare facilities.

## **Conclusions with Respect to Performance Tests**

### **LENDING TEST**

VCNB's lending performance is satisfactory. VCNB's performance in both the MSA AA and the non-MSA AA is satisfactory.

### **Loan-to-Deposit Ratio**

VCNB's LTD ratio is reasonable and supports satisfactory performance. The average LTD ratio calculated over the 12 quarters since the prior CRA evaluation (September 30, 2011 through June 30, 2014) of 72.6 percent compares reasonably to similarly situated financial institutions in VCNB's footprint whose 12-quarter average LTD ratios ranged from 57.0 percent to 113.0 percent. VCNB's highest LTD ratio was 77.7 percent at June 30, 2014 and the lowest was 67.3 percent at January 31, 2012.

**Lending in Assessment Area**

The bank’s record of lending within its AAs is reasonable and supports satisfactory performance. As illustrated in the table below, a majority of VCNB’s lending, by both number and loan volume, occurs within its AAs.

<b>Lending in Vinton County National Bank’s Assessment Areas</b>										
Loan Type	Number of Loans					Dollars of Loans (000’s omitted)				
	Inside		Outside		Total	Inside		Outside		Total
	#	%	#	%		\$	%	\$	%	
Home Purchase	497	69.8	215	30.2	712	\$55,975	66.5	\$28,218	33.5	\$84,193
Home Improvement	84	76.4	26	23.6	110	\$7,701	81.9	\$1,703	18.1	\$9,404
Refinances	235	82.5	50	17.5	285	\$25,959	81.8	\$5,788	18.2	\$31,747
Consumer Loans	42	72.4	16	27.6	58	\$457	66.0	\$235	34.0	\$692
Totals	858	73.6	307	26.4	1,165	\$90,092	71.5	\$35,944	28.5	\$126,036

*Source: Data reported under 2012 & 2013 HMDA, sample of 58 Consumer loans.*

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

VCNB’s lending to borrowers of different incomes is reasonable. Overall, lending in both the MSA AA and the non-MSA AA shows reasonable penetration of lending to low- and moderate-income borrowers.

**MSA AA**

Lending to borrowers of different incomes in the MSA AA reflects satisfactory penetration. The distribution of residential real estate lending shows satisfactory penetration and consumer lending distribution reflects excellent penetration among individuals of different incomes, including the low- and moderate-income borrowers.

Borrower distribution in residential real estate lending to low-income borrowers is lower than the percentage of low-income families in the AA except for home purchase loans where it is significantly lower. This is partially attributable to the significant number of families living below the poverty level and their inability to meet traditional home mortgage underwriting standards. However, VCNB’s residential lending to moderate-income families for purchase and refinance loans exceeded the demographics of moderate-income families. The bank’s home improvement loans were lower than the percentage of moderate-income families.

<b>Borrower Distribution of Residential Real Estate Loans in MSA AA</b>								
Borrower Income Level	Low		Moderate		Middle		Upper	
Loan Type	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans
Home Purchase	18.7	9.1	18.8	20.1	22.7	26.6	39.8	44.2
Home Improve	18.7	14.3	18.8	14.3	22.7	21.4	39.8	50.0
Refinance	18.7	13.9	18.8	30.6	22.7	16.7	39.8	38.8

*Source: loan sample or data reported under 2012-2013 HMDA; 2010 U.S. Census data.*

Consumer loan distribution among low- and moderate-income borrowers shows excellent penetration among individuals of differing incomes. The bank's lending to low-income borrowers was lower than the percentage of low-income households but the bank's lending to moderate-income borrowers exceeded the demographics.

<b>Borrower Distribution of Consumer Loans in MSA AA</b>								
Borrower Income Level	Low		Moderate		Middle		Upper	
	% of AA Households	% of Number of Loans	% of AA Households	% of Number of Loans	% of AA Households	% of Number of Loans	% of AA Households	% of Number of Loans
Consumer Loans	19.8%	10.0%	15.7%	30.0%	19.6%	35.0%	44.9%	25.0%

*Source: loan sample and 2010 U.S. Census data.*

### **Non-MSA AA**

Lending to borrowers of different incomes in the non-MSA AA reflects reasonable penetration. VCNB's residential real estate and consumer lending to individuals in the non-MSA AA shows reasonable penetration among the low- and moderate-income borrowers and supports an overall satisfactory performance.

Although the bank's lending in all three categories to low-income borrowers equaled less than half the percentage of lower-income households in the AA, the percentage of loans to moderate-income borrowers was nearly equal to the percentage of moderate-income households in all three categories. This is partially attributable to the significant number of families living below the poverty level and their inability to meet traditional home mortgage underwriting standards. Overall, the bank originated close to 30 percent of their residential real estate loans to low- or moderate-income borrowers.

<b>Borrower Distribution of Residential Real Estate Loans in Non-MSA AA</b>								
Borrower Income Level	Low		Moderate		Middle		Upper	
Loan Type	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans
Home Purchase	22.0	7.2	20.9	18.9	20.7	25.0	36.4	48.9
Home Improve	22.0	7.7	20.9	18.5	20.7	23.0	36.4	50.8
Refinance	22.0	9.9	20.9	16.5	20.7	24.3	36.4	49.3

Source: 2012 and 2013 HMDA data; 2010 U.S. Census data.

The bank’s percentage of consumer loans originated to low-income borrowers is poor; however, lending to moderate-income borrowers was near the area demographics, representing overall adequate performance when considering the percentage of households living below the poverty level within the AA.

<b>Borrower Distribution of Consumer Loans in Non-MSA AA</b>								
Borrower Income Level	Low		Moderate		Middle		Upper	
	% of AA Households	% of Number of Loans	% of AA Households	% of Number of Loans	% of AA Households	% of Number of Loans	% of AA Households	% of Number of Loans
Consumer Loans	25.4%	15.0%	17.0%	15.0%	18.5%	35.0%	39.1%	35.0%

Source: loan sample; 2010 U.S. Census data.

**Geographic Distribution of Loans**

VCNB’s performance in lending to different geographies within its AAs, including moderate-income areas, shows reasonable dispersion for both the MSA AA and the non-MSA AA. The bank does not have any low-income CTs in either of its AAs. Our analysis reflects lending in a majority of the CTs, with no conspicuous lending gaps.

**MSA AA**

Lending to geographies of different income levels in the MSA AA demonstrates excellent dispersion in residential real estate lending. VCNB’s lending in moderate-income CTs exceeded the percentage of AA owner occupied homes. See the table below for details.

Geographic Distribution of Residential Real Estate Loans in MSA AA								
Census Tract Income Level	Low		Moderate		Middle		Upper	
Loan type	% of AA Owner Occupied Housing	% of Number of Loans	% of AA Owner Occupied Housing	% of Number of Loans	% of AA Owner Occupied Housing	% of Number of Loans	% of AA Owner Occupied Housing	% of Number of Loans
Home Purchase	0.0	0.0	16.9	22.0	49.4	63.1	33.7	14.9
Home Improvement	0.0	0.0	16.9	29.4	49.4	52.9	33.7	17.7
Refinance	0.0	0.0	16.9	25.0	49.4	56.6	33.7	18.4

Source: Data reported under 2012 and 2013 HMDA; and 2010 U.S. Census data.

VCNB's consumer lending to geographies of different income levels in the MSA AA shows reasonable dispersion. VCNB's lending in the moderate-income CTs was near the area demographics.

Geographic Distribution of Consumer Loans in MSA AA								
Census Tract Income Level	Low		Moderate		Middle		Upper	
	% of AA Households	% of Number of Loans	% of AA Households	% of Number of Loans	% of AA Households	% of Number of Loans	% of AA Households	% of Number of Loans
Consumer Loans	0.0	0.0	22.3	20.0	48.8	65.0	28.9	15.0

Source: Indicate source, i.e., loan sample or data collected by bank; U.S. Census data.

### **Non-MSA AA**

Lending to geographies of different income levels in the non-MSA AA reflects excellent dispersion. VCNB's lending to borrowers in the moderate-income CTs of the non-MSA AA substantially exceeded the percentage of owner occupied housing units within the AA.

Geographic Distribution of Residential Real Estate Loans in Non-MSA AA								
Census Tract Income Level	Low		Moderate		Middle		Upper	
Loan type	% of AA Owner Occupied Housing	% of Number of Loans	% of AA Owner Occupied Housing	% of Number of Loans	% of AA Owner Occupied Housing	% of Number of Loans	% of AA Owner Occupied Housing	% of Number of Loans
Home Purchase	0.0	0.0	19.4	28.1	69.0	64.6	11.6	7.3
Home Improvement	0.0	0.0	19.4	36.4	69.0	56.0	11.6	7.6
Refinance	0.0	0.0	19.4	25.2	69.0	66.6	11.6	8.2

Source: Data reported under 2012 and 2013 HMDA; and 2010 U.S. Census data.

VCNB's consumer lending to moderate-income borrowers was slightly below the percentage of moderate-income households in the AA, reflecting satisfactory performance.

<b>Geographic Distribution of Consumer Loans in Non-MSA AA</b>								
Census Tract Income Level	Low		Moderate		Middle		Upper	
	% of AA Households	% of Number of Loans						
Consumer Loans	0.0	0.0	22.3	20.0	66.8	75.0	10.9	5.0

*Source: loan sample; 2010 U.S. Census data.*

## Responses to Complaints

VCNB has not received any complaints about its performance in helping to meet the AA's credit needs during the evaluation period.

## COMMUNITY DEVELOPMENT TEST

Responsiveness to the CD needs of VCNB's AAs is adequate and demonstrates satisfactory performance in loans, investments, and community service. The Board designated an employee as the CRA Officer to ensure the bank properly discovers and meets as many of those needs as possible through appropriate CD activities. The bank has been responsive to CD needs through CD loans, investments, and services considering the bank's capacity, the communities' needs, and the availability of such opportunities for CD in the bank's AAs.

### Number and Amount of Community Development Loans

The bank made a satisfactory number of CD loans during the evaluation period, demonstrating adequate responsiveness to the CD needs of the AAs through CD loans. During this evaluation period, VCNB made eight loans in response to community needs totaling \$5.4 million in the AAs. The following sections briefly describe the loans made in each AA.

#### MSA AA

During the CD evaluation period, VCNB continued to fund one CD line of credit totaling \$3 million, which represents adequate responsiveness. The loan was to a not-for-profit medical facility and helped revitalize and stabilize economic conditions by stimulating economic development and job creation.

#### Non-MSA AA

The bank originated seven CD loans totaling \$2.5 Million, demonstrating adequate responsiveness, as follows:

- a \$90,000 loan to a private, not-for-profit agency that provides housing and other services to low-income persons with developmental disabilities.

- a \$1 million loan to a not-for-profit organization that raised funds to renovate the Chillicothe high school, a title one (65 percent of students are eligible at this school for free or reduced lunches) sports facility to encourage kids to stay in school.
- a \$39,000 loan to help Hocking County provide low-income housing.
- a \$728,000 loan to a local company for a boring machine that will allow the company to bury cable so that a nationwide phone company can expand their broadband system to areas in Appalachia that were previously only able to access dial-up. This infrastructure will benefit the South Eastern Ohio counties in Appalachia, including Vinton County, a designated underserved county, to bring improved quality of healthcare to this region. It also improves economic development and educational advances. The boring machine will help build a backbone of broadband lines to connect about 600 anchor clients including 212 healthcare facilities, 25 community colleges, 15 universities, 231 schools, 34 county public safety answering points, 32 safety services communications towers, and 34 industrial parks.
- a \$500,000 loan to a not-for profit service-corporation, which raised funds to renovate a reformatory school for low- or moderate-income (LMI) boys, 75 percent of the school's income is from Medicaid. The school provides therapeutic, behavioral health, vocational rehabilitation, employment, and housing related services. The boys' ranch serves youth in 6<sup>th</sup> – 12<sup>th</sup> grades that have been removed from their home school due to disciplinary concerns and provides a school of last opportunity. The six counties served include all three of the non-MSA AA counties: Ross, Hocking, and Vinton County. As noted above, Vinton County has been designated as an underserved county in Ohio.
- two loans totaling \$61,118 to a non-profit veteran's agency located in a moderate-income CT in the city of Chillicothe for equipment and inventory to enable returning veterans to rejoin society successfully, promoting jobs for veterans.

### **Number and Amount of Qualified Investments**

The bank's level of CD investments is adequate. VCNB made qualified donations and/or grants in the AAs during the review period; it also continued to hold a \$690,000 investment from the previous CRA review cycle. The money from this investment was used to help fund the Vinton County Job and Family Services that investigate child abuse/neglect and aide in child support collection; help with income maintenance for the LMI elderly, disabled, or mothers of dependent children through Medicaid nursing home waivers, food or cash assistance, and work activities; and runs the workforce development. The bank's total investment in community services bonds and donations is \$766,242.

### **MSA AA**

To respond appropriately to the needs of its MSA AA, VCNB made donations and/or grants to several food pantries and LMI social services such as the Maywood Mission and the Lancaster Cause, a bicycle race event whose funds support prevention and treatment of drug abuse.

**Non-MSA AA**

The bank continues to hold one bond made in a prior evaluation period to Vinton County Job & Family Services. The Vinton County Job & Family Services bond provides community services to low- and moderate-income persons; the outstanding balance on this bond was \$690,000. Additionally, the bank made numerous donations/grants to various local food pantries and social services for LMI individuals such as Habitat for Humanity and the Salvation Army in the non-MSA AA.

**Number and Amount of Qualified Grants and Donations**

The bank made \$19,542 in qualified grants and donations to numerous food banks that provide groceries and other staples to low- and moderate-income persons and donations to organizations that provide social services to low- and moderate-income individuals. VCNB also donated \$56,700 to support the Everfi Financial Literacy program that is conducted in the AAs' schools, 33 of which (or 38 percent of the 86 schools) have more than 50 percent of the students eligible for free or reduced lunches.

**Extent to Which the Bank Provides Community Development Services**

CD services provided by the bank represent reasonable responsiveness and demonstrate satisfactory performance. A strong majority of the employees use their time to help nonprofit organizations serving low- to moderate-income individuals or developing the communities of the AA economically. According to the community contact, affordable housing, new small business start-ups, and maintaining or replacing old infrastructure are all primary needs of the AAs' communities. Besides the bank's excellent record of community service through volunteering, in response to these community needs, VCNB also makes three types of loans as a community service. VCNB participated in the state of Ohio's Grow Now loan program and made seven loans in the AAs totaling \$1 million. This program provides low cost financing to small business owners to help create and retain jobs in the state of Ohio. Additionally, the bank participated in both the United States Department of Agriculture's Rural Housing Service (USDA RHS) loans to low- to moderate-income borrowers in rural areas and the Federal Home Loan Bank's Welcome Home program for first time low- to moderate-income borrowers. VCNB made 10 loans to low- or moderate-income borrowers in participation with the USDA RHS totaling \$1 million during the evaluation period and another 12 Welcome Home loans.

Additionally, the bank serves as a deposit holder for the IOLTA/IOTA funds, interest paid on lawyer and title agent trust accounts is used to fund civil legal aid for Ohioans who cannot afford an attorney. The bank submitted \$4,346 in IOLTA/IOTA funds to the state of Ohio during the review period.

**MSA AA**

VCNB employees represent the bank on 21 various CD services to LMI groups active in meeting the economic and service needs of the community. The Route 33 Alliance board, an organization that helps to stimulate economic development in the route 33 corridor; the Fairfield County Revolving Loan Fund committee that assists new or

existing small businesses to achieve their goals and create jobs in the AA; and the Fairfield County Board of Economic Development are just a few. The bank is also represented on the Fairfield Foundation, which distributes money to local charities. Another two employees teach a practical Economics class called Real Money Real World to students at an LMI High School. VCNB participated in the state of Ohio's Grow Now loan program and made one loan in the MSA AA totaling \$40,000. This program provides low cost financing to small business owners to help create and retain jobs in the state of Ohio.

### **Non-MSA AA**

The bank employees represent VCNB through donating their financial expertise to various major community groups active in meeting housing, service, and economic needs of low- to moderate-income persons. Other employees serve on the boards of organizations that help to promote economic development and provide services to low- and moderate-income individuals. Employees serve on organizations such as the Economic Development Alliance of Southern Ohio, the Jackson-Vinton County Community Action Group, Chillicothe Ross Improvement, the Salvation Army, and the Community Improvement Corporation. VCNB participated in the state of Ohio's Grow Now loan program and made six loans in the non-MSA AA totaling \$967,018. This program provides low cost financing to small business owners to help create and retain jobs in the state of Ohio.

### **Responsiveness to Community Development Needs**

VCNB is adequately responsive to the CD needs of the AAs through lending, investments, and services.

### **Fair Lending or Other Illegal Credit Practices Review**

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

We found no evidence of discriminatory or other illegal credit practices inconsistent with helping to meet community credit needs.