



## **PUBLIC DISCLOSURE**

January 20, 2015

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

Queensborough National Bank & Trust Company  
Charter Number 6207

113 East Broad Street  
Louisville, GA 30434

Office of the Comptroller of the Currency

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Suite 550  
Atlanta, GA 30346

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

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## Overall CRA Rating

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

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

Performance Levels	QNB&T National Bank & Trust Company Performance Tests		
	Lending Test*	Investment Test	Service Test
Outstanding		X	X
High Satisfactory	X		
Low Satisfactory			
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:

- The distribution of home mortgages among low- and moderate-income geographies and to borrowers of different income levels is good.
- The distribution of small loans to businesses is good among geographies of different income levels and to businesses of different sizes.
- The distribution of small farms loans among geographies of different income levels and to farms of different sizes is good.
- The bank originated a high level of community development loans and participated in a number of innovative lending programs.
- A substantial majority of loans is made within the bank's assessment areas (AAs).
- The bank's lending levels reflect a good responsiveness to AA's credit needs.
- The dollar amount of investments is excellent in the AAs given the available community development opportunities.
- Product delivery systems are accessible to geographies and individuals of different income levels. In addition, the bank's community development activities within its AAs reflect an excellent penetration among low- and moderate-income geographies.

## Definitions and Common Abbreviations

The following terms and abbreviations are used throughout 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. A bank subsidiary is controlled by the bank and is, therefore, an affiliate.

**Aggregate Lending:** The number of loans originated and purchased by all reporting lenders in specified income categories as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the MA/assessment area.

**Census Tract (CT):** A small subdivision of metropolitan and other densely populated counties. Census tract boundaries do not cross county lines; however, they may cross the boundaries of metropolitan areas. Census tracts usually have between 2,500 and 8,000 persons, and their physical size varies widely depending upon population density. Census tracts are designed to be homogeneous with respect to population characteristics, economic status, and living conditions to allow for statistical comparisons.

**Community Development:** 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 the size eligibility standards of the Small Business Administration's Development Company or Small Business Investment Company programs (13 CFR 121.301) or have gross annual revenues of \$1 million or less; or, activities that revitalize or stabilize low-or moderate-income geographies.

Effective September 1, 2005, the Board of Governors of the Federal Reserve System, Office of the Comptroller of the Currency, and the Federal Deposit Insurance Corporation have adopted the following additional language as part of the revitalize or stabilize definition of community development. Activities that revitalize or stabilize-

- (i) Low-or moderate-income geographies;
- (ii) Designated disaster areas; or
- (iii) Distressed or underserved nonmetropolitan middle-income geographies designated by the Board, Federal Deposit Insurance Corporation, and Office of the Comptroller of the Currency, based on-
  - a. Rates of poverty, unemployment, and population loss; or
  - b. Population size, density, and dispersion. Activities that revitalize and stabilize geographies designated based on population size, density, and dispersion if they help to meet essential community needs, including needs of low- and moderate-income individuals.

**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.

**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, home equity 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 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 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 applications, the amount of loan requested, and the disposition of the application (e.g., approved, denied, and withdrawn). Beginning in 2004, the reports also include additional data on loan pricing, the lien status of the collateral, any requests for preapproval and loans for manufactured housing.

**Home Mortgage Loans:** Such loans include home purchase, home improvement and refinancings, as defined in the HMDA regulation. These include loans for multifamily (five or more families) dwellings, manufactured housing and one-to-four family dwellings other than manufactured housing.

**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 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 income that is less than 50 percent of the area median income, or a median family income that is less than 50 percent, in the case of a geography.

**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 MA/assessment area.

**Median Family Income (MFI):** The median income determined by the U.S. 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 Area (MA):** Any metropolitan statistical area or metropolitan division, as defined by the Office of Management and Budget and any other area designated as such by the appropriate federal financial supervisory agency.

**Metropolitan Division:** As defined by Office of Management and Budget, a county or group of counties within a Metropolitan Statistical Area that contains a population of at least 2.5 million. A Metropolitan Division consists of one or more counties that represent an employment center or centers, plus adjacent counties associated with the main county or counties through commuting ties.

**Metropolitan Statistical Area (MSA):** An area, defined by the Office of Management and Budget, as having at least one urbanized area that has a population of at least 50,000. The Metropolitan Statistical Area comprises the central county or counties, plus adjacent outlying counties having a high degree of social and economic integration with the central county 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.

**Other Products:** Includes any unreported optional category of loans for which the institution collects and maintains data for consideration during a CRA examination. Examples of such activity include consumer loans and other loan data an institution may provide concerning its lending performance.

**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.

**Rated Area:** A rated area is a state or multi-state metropolitan 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 area, the institution will receive a rating for the multi-state metropolitan 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) and the Thrift Financial Reporting (TFR) 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 One 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.

## Description of Institution

QNB&T National Bank & Trust Company is an intrastate bank headquartered in Louisville, Georgia located in east central Georgia (GA). The Queensborough Company owns the bank. The holding company does not own any other entities. The bank serves three assessment areas (AAs) through 22 branches and 18 ATMs. Its primary service areas contain seven contiguous counties (Bulloch, Candler, Emanuel, Jefferson, Jenkins, Screven, and Washington) in the East Georgia Non-MSA AA, where 11 branches and 10 ATMs are located. The second service area is made up of the four GA counties (Burke, Columbia, McDuffie, and Richmond) in the Augusta-Richmond County, GA-SC MSA, where 10 branches and 8 ATMs are located. The third AA, Chatham County, Georgia, has one branch location and minimal loans and deposits.

QNB&T is a wholly owned subsidiary of The Queensborough Company (TQC), a one-bank holding company, established in 1984. The TQC and QNB&T are located in Louisville, Georgia. As of September 30, 2014, QNB&T reported total assets of \$808 million and Tier One Capital of \$83 million. Total loans of \$526 million accounted for the largest portion of QNB&T's assets, representing 62 percent of total assets. The balance sheet also disclosed investments and interest bearing bank deposits of 24 and 4 percent, respectively. The bank's primary focus is serving commercial customers through loans and other banking services, with a secondary focus in residential real estate lending. Loan portfolio composition includes 55 percent commercial and commercial real estate loans, 24 percent residential mortgage products, and 3 percent agricultural loans.

QNB&T offers a variety of business deposit accounts, consumer deposit products, commercial lending, trust, and brokerage services. SBA guaranteed loans are also offered. The bank also offers government-insured and guaranteed mortgages (FHA and VA), and investment mortgages secured by one-to-four unit properties. In addition, affordable housing programs are available featuring down payment assistance for qualified borrowers and financing up to 100 percent.

There were no acquisition and merger activities during this evaluation period.

There are no known legal, financial, or other factors impeding the bank's ability to help meet the credit needs of its AAs. The bank received an "Outstanding" rating in its previous CRA evaluation dated November 28, 2011.

## Scope of the Evaluation

### Evaluation Period/Products Evaluated

We analyzed home purchase, home improvement, and home refinance mortgage loans the bank reported under the Home Mortgage Disclosure Act (HMDA) and small loans made to businesses reported under the Community Reinvestment Act (CRA), for the period January 1, 2012 through June 30, 2014. Multifamily loans are not a primary loan product; therefore, we did not evaluate this product separately. However, we did consider multifamily loans meeting the community development (CD) definition as part of the evaluation of CD lending.

We reviewed community development loans, investments, and services for the period November 28, 2011 through January 15, 2015. Performance Tables 1 through 12 in Appendix C only include data from 2012 through 2013. Data from 2014 is discussed in the applicable narrative sections of the evaluation.

### Data Integrity

As part of our ongoing supervision, we tested the accuracy of the bank's HMDA and CRA lending data. We also reviewed the appropriateness of community development activities provided for consideration in our evaluation. This included testing of CD loans, investments, and services for accuracy and to determine if they qualify as community development as defined in the CRA regulation. Our testing indicated no substantive inaccuracies in the data. Therefore, we concluded that the home mortgage loans, small loans to businesses and farms, and CD activities data could be relied upon for this examination.

### Selection of Areas for Full-Scope Review

The East Georgia Non-MSA AA (East Georgia AA) and the Augusta-Richmond County Georgia MSA AA (Augusta AA) were selected for full-scope reviews. The majority of the bank's lending activity, branches, and deposit base is in these AAs. A third AA, Chatham County, Georgia, (Chatham AA) was selected for a limited review because it has one branch location, minimal volume of loans, and a nominal share of deposits in its AA.

Full-scope reviews consider performance context, quantitative and qualitative factors. In general, the AAs selected for the full-scope review were chosen because they represented a significant portion of the bank's deposit base and lending business. The other AA was analyzed using limited-scope procedures. Limited-scope procedures consider quantitative factors only. Refer to the "Scope" section for details regarding how we selected the areas for review.

## Ratings

In this evaluation, we placed more weight on the bank's performance in 2012 through 2013 than its performance in 2014. The bank's overall rating is a blend of those AAs that received full-scope reviews. As noted above, these include the Augusta AA and the East Georgia AA. These AAs were weighted equally in our conclusions. The equal weighting is based upon the bank having a nearly even branch presence and balance of deposits in both areas. It is noted that while the bank has the sixth highest deposit market share in the Augusta AA, it has the highest market share of deposits in the East Georgia AA. Further, while 71 percent of reportable loans inside the AAs for 2012 and 2013 were in the Augusta AA, there is greater loan demand inside the MSA area than in the Non-MSA area. Also, because QNB&T's main office is located in the East Georgia Non-MSA AA, the bank has a primary responsibility to meet the credit needs of that area. This is another factor in our equal weighting of the two AAs.

Additionally, when evaluating the bank's performance under the lending test, we weighted the importance of the bank's distribution of small business loans and small farm loans equal to its distribution of home mortgages. This was despite greater home mortgage lending levels during 2012 and 2013, compared to small business and small farm lending levels. The equal weighting was based upon the bank's lending strategies and community credit needs. As of December 31, 2013, the bank's loan mix reflected that 49 percent of its loans were non-farm residential or commercial. Further, 20 percent were farm real estate and agricultural, which meets an important credit need within the bank's primarily rural Non-MSA assessment area. Within the home mortgage loan category, greater weight was placed on home purchase and home refinance loans, with home improvement loans receiving somewhat less weight in the Augusta AA. While the bank originated fewer home improvement loans overall than loans for home purchase and refinancing, we recognize that home improvement loans are an important credit need in rural areas such as those included in the East Georgia AA.

The bank's overall rating is based primarily on those areas that received full-scope reviews. As noted above, these include the Augusta and East Georgia AAs. The weighting of performance in each of these AAs toward determining ratings for the Lending, Investment, and Service Tests, was based upon a number of factors. These factors include origination percentages for various loan products between the two AAs, as well as the level of deposits and the branch office presence in each of the two areas.

### Other

To assist us in understanding the credit needs within the two AAs selected for full-scope reviews, we contacted a governmental entity that assists with the credit needs of small businesses within Jefferson County, as well as, a non-profit that serves the housing needs of low- and moderate-income families. While both organizations indicated that there were higher levels of unemployment in the bank's AAs as compared to state unemployment averages, they stated that there was a continuing need for credit assistance to small businesses and to low- and moderate-income families. According to these organizations, QNB&T is a leader in meeting community credit needs.

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

Pursuant to 12 CFR 25.28(c) in determining a national bank's (bank) 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.

## Conclusions with Respect to Performance Tests

### LENDING TEST

#### Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the lending test is rated "High Satisfactory." Based on the full-scope reviews, the bank's performance in the Augusta AA and East Georgia AA is good.

#### Lending Activity

**Refer to Table 1 Lending Volume in appendix C for the facts and data used to evaluate the bank's lending activity.**

Refer to Table 1, Lending Volume in the Augusta AA and the East Georgia AA sections of Appendix C for the facts and data used to evaluate the bank's lending activity.

Lending activities in the Augusta and East Georgia AAs are good considering the strong competition for all types of loans in the marketplace by local, regional, and national lenders.

#### Augusta AA

Approximately 63 percent of loans originated/purchased during the evaluation period were home mortgage loans with loans to small businesses of 33 percent and small loans to farms of 4 percent. Seventy-one percent of the bank's Total Reported Loans of \$233 million by number was made in the AA as compared to 49 percent of its deposits in the AA. As of June 30, 2014, QNB&T had a deposit market share of 6 percent and ranked sixth among 17 depository institutions. Three of the large banks ahead of QNB&T dominated the market with a combined market share of 62 percent. Individual market shares of the 17 banks ranged from .24 percent to 25 percent.

Among home mortgage loan originations/purchases, approximately 57 percent was for home purchase, 37 percent was for home mortgage refinance loans, and 6 percent was for home improvement loans.

#### East Georgia AA

Approximately 30 percent of loans originated/purchased during the evaluation period were home mortgage loans with loans to small businesses of 35 percent and small loans to farms of 35 percent. Twenty-four percent of the bank's Total Reported Loans of \$79 million by number was made in the AA as compared to 47 percent of its deposits in the AA. As of June 30, 2014, QNB&T had a deposit market share of 15 percent and ranked 1st among 17 depository institutions. The three largest banks in the AA dominated the market with a combined market share of 43 percent. Individual market shares of the 17 banks ranged from 0.41 percent to 15 percent.

Among home mortgage loan originations/purchases, approximately 26 percent was for home purchase, 37 percent was for home mortgage refinance loans, and 37 percent was for home improvement loans.

## **Distribution of Loans by Income Level of the Geography**

Overall, the geographic distribution of the bank's lending is good. The number and amount of home mortgage loans originated in the Chatham AA were insignificant and not evaluated for analytical purposes. The bank originated only twenty-seven home mortgage loans in the Chatham AA during this evaluation period.

### ***Home Mortgage Loans***

Refer to Tables 2, 3, 4, and 5 in appendix C for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations and purchases for 2012 and 2013. Home mortgage loan data for 2014 is discussed in the narrative below.

### **Augusta AA**

#### ***Home Purchase Loans***

The overall geographic distribution of home purchase loans in the Augusta AA is poor. The bank's geographic distribution of home purchase loans during 2012 through 2013 is poor. The percentage of loans in both low- and moderate-income geographies was significantly below the percentage of owner-occupied units in these geographies. The bank's market share in low-income geographies was significantly below its overall market share, though it approximates the market share in moderate-income geographies. The bank's geographic distribution of home purchase loans for 2014 was not inconsistent with its geographic distribution of these loans in 2012 through 2013.

#### ***Home Improvement Loans***

The overall geographic distribution of home improvement loans is excellent. The bank's geographic distribution of home improvement loans during 2012 through 2013 is excellent. The percentage of loans in low-income geographies was near the percentage of owner-occupied units in these geographies. The percentage of loans in moderate-income geographies exceeds the percentage of owner-occupied units in these geographies. The bank's market share for low-and moderate-income geographies exceeds its overall market share and is considered excellent. The bank's geographic distribution of home improvement loans for 2014 was not inconsistent with its geographic distribution of these loans in 2012 through 2013.

#### ***Home Refinance Loans***

The overall geographic distribution of home refinance loans is adequate. The bank's geographic distribution of refinance loans during 2012 through 2013 is adequate. The percentage of loans in low-income geographies was below the percentage of owner-occupied units in these geographies. The percentage of loans in moderate-income geographies was near the percentage of owner-occupied units in these geographies. However, the bank's market share for low-and moderate-income geographies exceeds its overall market share and is considered good. The bank's geographic distribution of home improvement loans for 2014 was not inconsistent with its geographic distribution of these loans in 2012 through 2013.

### **East Georgia AA**

#### ***Home Purchase Loans***

The overall geographic distribution of home purchase loans in the East Georgia AA is excellent. The bank's geographic distribution of home purchase loans during 2012 through 2013 is excellent. The percentage of loans in the low-income geographies exceeds the percentage of owner-occupied units in

these geographies. The percentage of loans in the moderate-income geographies exceeds the percentage of owner-occupied units in these geographies. The bank's market share for low-and moderate-income geographies exceeds its overall market share and was considered excellent. The bank's geographic distribution of home purchase loans for 2014 was not inconsistent with its geographic distribution of these loans in 2012 through 2013.

#### *Home Improvement Loans*

The overall geographic distribution of home improvement loans in the East Georgia AA is excellent. The bank's geographic distribution of home improvement loans during 2012 through 2013 is excellent. While the bank did not originate any home improvement loans in low-income geographies, it is noted that only .77 percent of owner-occupied housing units in the East Georgia AA are located in low-income geographies. Thus, the bank's lending opportunities in low-income geographies are limited. The percentage of loans in moderate-income geographies exceeds the percentage of owner-occupied units in these geographies. Also, the bank's market share in moderate-income geographies exceeds its overall bank market share in all income geographies and is considered excellent. The bank's geographic distribution of home purchase loans for 2014 was not inconsistent with its geographic distribution of these loans in 2012 through 2013.

#### *Home Refinance Loans*

The overall geographic distribution of home refinance loans in the East Georgia AA is excellent. The bank's geographic distribution of home improvement loans during 2012 through 2013 is excellent. The percentage of loans in low-income geographies exceeds the percentage of loans in these geographies. The percentage of loans in moderate-income geographies exceeds the percentage of owner-occupied units in these geographies. The bank's market share in moderate-income geographies exceeds its overall market share and is considered excellent.

#### *Multifamily Loans*

The number and amount of multifamily loans in the Augusta, East Georgia, and Chatham AAs were insignificant and a geographical analysis was not meaningful. This performance had a neutral effect on the bank's CRA evaluation.

#### *Small Loans to Businesses*

Overall, the geographic distribution of small loans to businesses is good.

Refer to Table 6 in the Appendix D for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to businesses.

#### **Augusta AA**

The overall geographic distribution of small loans to businesses in the Augusta AA is good. We placed more weight on performance in moderate-income geographies given that less than eight percent of businesses are located in low-income geographies. The bank's geographic distribution of small loans to businesses in 2012 through 2013 is good. The percentage of small loans to businesses in the low-income geographies was near the percentage of small loans to businesses in these geographies. The bank's market share in low-income geographies was near the percentage of small loans to businesses. The percentage of loans in the moderate-income geographies exceeds the percentage of small loans to businesses in these geographies. The bank's market share in moderate-income geographies exceeds its

overall market share. The bank's geographic distribution of small loans to businesses for 2014 was not inconsistent with its geographic distribution of these loans in 2012 through 2013.

### **East Georgia AA**

The overall geographic distribution of small loans to businesses is adequate. We placed more weight on performance in moderate-income geographies given that less than four percent of businesses are located in low-income geographies. The bank's geographic distribution of small loans to businesses in 2012 through 2013 is adequate. The percentage of small loans to businesses in the low-income geographies was poor as compared to the percentage of small loans to businesses in these geographies. The bank's market share in low-income geographies was below the percentage of small loans to businesses in these geographies. The percentage of loans in the moderate-income geographies exceeds the percentage of small loans to businesses in these geographies and is considered excellent. The bank's market share in moderate-income geographies exceeds its overall market share. The bank's geographic distribution of small loans to businesses for 2014 was not inconsistent with its geographic distribution of these loans in 2012 through 2013.

#### *Small Loans to Farms*

Overall, the geographic distribution of small loans to farms is good.

Refer to Table 7 in appendix C for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to farms.

### **Augusta AA**

#### *Small Loans to Farms*

The overall geographic distribution of small loans to farms in the Augusta AA is adequate. The bank's geographic distribution of small loans to farms in 2012 through 2013 is adequate. The percentage of small loans to farms in the low-income geographies was poor compared to the percentage of small loans to farms in these geographies. Likewise, the bank's market share in low-income geographies is less than its overall market share. The percentage of farm loans in moderate-income geographies exceeds the percentage of small loans to farms in these geographies and is considered excellent. The bank's market share in moderate-income geographies exceeds its overall market share. The bank's geographic distribution of small loans to businesses for 2012 through 2013 was not inconsistent with its geographic distribution of these loans in 2014.

### **East Georgia AA**

The overall geographic distribution of small loans to farms in the East Georgia AA is excellent. The bank's geographic distribution of small loans to farms in 2012 through 2013 is excellent. The percentage of loans in the moderate-income geographies exceeds the percentage of small loans to farms in these geographies. There were no farms reported in low-income geographies. The bank's geographic distribution of small loans to farms for 2012 through 2013 was not inconsistent with its geographic distribution of these loans in 2014.

### ***Lending Gap Analysis***

We reviewed summary reports and maps and analyzed QNB&T's home mortgage, small business, and small farm lending activity over the evaluation period to identify any gaps in the geographic distribution of loans. We did not identify any unexplained conspicuous gaps. All of the bank's AAs consist of whole

geographies, meet the requirements of the CRA regulation, and do not arbitrarily exclude any low- or moderate-income areas.

### ***Inside/Outside Ratio***

This ratio is a bank-wide calculation, and not calculated by individual rating area or AA. This analysis is limited to bank originations and purchases. For the entire evaluation period, QNB&T did originate a substantial majority of all loan products (HMDA, and small loans to businesses and farms) inside the bank's AAs (87 percent) as compared to outside the AA (13 percent). The percentage in number of loans made inside the AAs in 2012 through 2013 by loan type is HMDA loans (84 percent), small loans to businesses (90 percent) and small loans to farms (89 percent). The bank's performance in 2014 was not inconsistent with its lending performance in 2012 through 2013. This performance had a positive effect on the bank's overall geographic distribution analysis.

### **Distribution of Loans by Income Level of the Borrower**

Overall, the distribution of loans by the borrower's income level is good. The distribution of HMDA loans, small loans to businesses and farms is good. Loans originated in the Chatham AA were insignificant and not evaluated for analytical purposes.

### ***Home Mortgage Loans***

Refer to Tables 8, 9, and 10 in appendix C for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases. Overall, the distribution of HMDA loans by income level of the borrower is good.

According to 2010 U.S. Census data, sixteen percent of households in the Augusta MSA are below the poverty level. In the East Georgia AA, twenty-five percent of households are below the poverty level. Both of these percentages are higher than the state household poverty level of 15 percent. This level of poverty makes lending to low- and moderate-income individuals within the AAs more challenging.

### **Augusta AA**

#### ***Home Purchase Loans***

The distribution of home purchase loans in the Augusta AA is good. The distribution of home purchase loans by borrower's income level during 2012 through 2013 in the Augusta AA is good. The percentage of home purchase loans to low-income borrowers was significantly below the percentage of low-income families. However, as noted above, lending opportunities to low-income borrowers is impeded as sixteen percent of households in the Augusta AA are below poverty level. The portion of home purchase loans to moderate-income borrowers exceeds the percentage of moderate-income families and is considered excellent. Likewise, the bank's market share to low- and moderate-income borrowers exceeds the bank's overall market share. The bank's distribution of home purchase loans for 2014 is not inconsistent with the lending performance noted in 2012 through 2013.

#### ***Home Improvement Loans***

The overall borrower distribution of home improvement loans in the Augusta AA is excellent. The bank's borrower distribution of home improvement loans in the Augusta AA during 2012 through 2013 is excellent. The portion of loans to low-income borrowers exceeds the percentage of such families. The portion of loans to moderate-income borrowers significantly exceeds the percentage of low-income

families. The bank's market share to low- and moderate-income borrowers exceeds the bank's overall market share and is excellent. The bank's distribution of home improvement loans for 2014 is not inconsistent with the performance noted in 2012 through 2013.

#### *Home Refinance Loans*

The overall borrower distribution of home refinance loans in the Augusta AA is adequate. The bank's borrower distribution of home refinance loans in the Augusta AA during 2012 through 2013 is adequate. The portion of loans to low-income borrowers was significantly below the percentage of such families. However, the examiner notes that the household poverty level percentage in the Augusta AA is sixteen percent, which creates a challenge in meeting the credit needs of low-income individuals in the assessment area. The portion of loans to moderate-income borrowers was near the percentage of such families. The bank's market share to low-and moderate-income borrowers exceeds the bank's overall market share. The bank's distribution of home refinance loans for 2014 was not inconsistent with the performance noted in 2012 through 2013.

### **East Georgia AA**

#### *Home Purchase Loans*

The distribution of home purchase loans is excellent. The distribution of home purchase loans by borrower's income level during 2012 through 2013 was excellent. The percentage of home purchase loans to low-income borrowers was significantly below the percentage of low-income families. However, lending opportunities to low-income individuals is impeded by the household poverty level percentage in the East Georgia AA, which is twenty-five percent. The portion of home purchase loans to moderate-income borrowers exceeds the percentage of moderate-income families and is considered excellent. Likewise, the bank's market share to low- and moderate-income borrowers exceeds the bank's overall market share. The bank's distribution of home purchase loans for 2014 is not inconsistent with the lending performance noted in 2012 through 2013.

#### *Home Improvement Loans*

The overall borrower distribution of home improvement loans is good. The bank's borrower distribution of home improvement loans during 2012 through 2013 was good. The portion of loans to low-income borrowers exceeds the percentage of such families. The portion of loans to moderate-income borrowers approximates the percentage of low-income families. The bank's market share to low- and moderate-income borrowers exceeds the bank's overall market share and is excellent. The bank's distribution of home improvement loans for 2014 is not inconsistent with the performance noted in 2012 through 2013.

#### *Home Refinance Loans*

The overall borrower distribution of home refinance loans is good. The bank's borrower distribution of home refinance loans during 2012 through 2013 is good. The portion of loans to low-income borrowers was near the percentage of such families and is considered good. Lending opportunities to low-income individuals is impeded by the household poverty level percentage in the East Georgia AA, which is twenty-five percent. The portion of loans to moderate-income borrowers approximates the percentage of such families and is considered good. The bank's market share to low- and moderate-income borrowers exceeds the bank's overall market share. The bank's distribution of home refinance loans for 2014 was not inconsistent with the performance noted in 2012 through 2013.

Based on the foregoing, QNB&T has achieved a satisfactory home mortgage lending penetration among low- and moderate-income individuals in both AAs.

*Small Loans to Businesses*

Refer to Table 11 in appendix C for the facts and data used to evaluate the borrower distribution of the bank's origination/purchase of small loans to businesses.

**Augusta AA**

The overall borrower distribution of small loans to businesses is good. The bank's borrower distribution of small loans to businesses in 2012 through 2013 was good. The percentage of small loans to small businesses (businesses with gross annual revenue of \$1 million or less) approximates the percentage of small businesses. The bank's market share to businesses with revenue of \$1 million or less exceeds its overall market share. The bank's distribution of small loans to businesses for 2014 was not inconsistent with the performance noted in 2012 through 2013.

**East Georgia AA**

The overall borrower distribution of small loans to businesses is good. The bank's borrower distribution of small loans to businesses in 2012 through 2013 was good. The percentage of small loans to small businesses (businesses with gross annual revenue of \$1 million or less) approximates the percentage of small businesses. The bank's market share to businesses with revenue of \$1 million or less exceeds its overall market share. The bank's distribution of small loans to businesses for 2014 was not inconsistent with the performance noted in 2012 through 2013.

The bank's percentages of business loans in both AAs in amounts less than \$100 thousand are good and reflect a strong commitment to meeting the credit needs of small businesses within its AAs.

*Small Loans to Farms*

Refer to Table 12 in the appendix C for the facts and data used to evaluate the borrower distribution of the bank's origination/purchase of small loans to farms. Overall, the distribution of small loans to farms in both AAs is good.

**Augusta AA**

The bank's distribution of small loans to farms in 2012 through 2013 is good. The percentage of small loans to small farms (farms with gross annual revenue of \$1 million or less) is well below the percentage of small farms located in the Augusta AA. However, the bank's market share to businesses with revenue of \$1 million or less exceeds its overall market share, which is considered excellent. Also, 55 percent of the bank's loans to small farms in the Augusta AA were in amounts less than \$100 thousand, which is also considered excellent. The bank's distribution of small loans to farms for 2014 was not inconsistent with the performance noted in 2012 through 2013.

**East Georgia AA**

The bank's distribution of small loans to farms in 2012 through 2013 is good. The percentage of small loans to small farms (farms with gross annual revenue of \$1 million or less) is well below the percentage of small farms. However, the bank's market share to businesses with revenue of \$1 million or less exceeds its overall market share, which is considered excellent. Also, 65 percent of the bank's loans to small farms in the East Georgia AA were in amounts less than \$100 thousand which is also considered excellent. The bank's distribution of small loans to farms for 2014 was not inconsistent with the performance noted in 2012 through 2013.

## Community Development Lending

Refer to Table 1 Lending Volume in appendix C for the facts and data used to evaluate the bank's level of community development lending. In addition, Table 5 includes geographic lending data on all multi-family loans, including those that also qualify as community development loans. Table 5 does not separately list community development loans, however.

From November 28, 2011 through January 20, 2015, QNB&T originated two community development loans in the Augusta AA in the total amount of \$341 thousand. Both loans were made to the same borrower for the purchase and renovation of apartments located in a moderate-income census tract in Richmond County. The renovated apartments were to be leased at below market rents. In addition, the bank originated one multi-family loan in a moderate-income census tract in this AA totaling \$170 thousand.

QNB&T also originated seven community development loans in the total amount of \$1.7 million in the East Georgia AA. Three of these loans were used as an operating line of credit for a nonprofit charitable food distribution center that provides grocery products to low- and moderate-income families. One loan was used to purchase an apartment building located in a moderate-income census tract. The building consists of units that rent at below market rates. Furthermore, three loans were used to support revitalization efforts in low- and moderate-income and distressed middle-income geographies within the assessment area. In addition, QNB&T originated a \$424 thousand multi-family loan in a moderate-income census tract in its Chatham AA assessment area.

Based on the foregoing, the bank's level of community development lending in both AAs is excellent.

## Product Innovation and Flexibility

During the period under review, QNB&T participated in five flexible lending programs targeted toward meeting the credit needs of low- and moderate-income borrowers, small businesses, and small farms. These programs include the Georgia Dream Homeownership Program, the USDA Rural Development Housing Program, the USDA Farm Service Agency Loan Program, the U.S. Small Business Administration Program, and the Augusta Housing and Community Development Program.

The Georgia Dream Homeownership Program (Georgia Dream) serves all Georgia counties. Georgia Dream offers fixed below market interest rates, financing up to 100 percent, and closing cost assistance to low- and moderate-income borrowers who satisfy the income limitations of this program. During the period under review, QNB&T originated eleven Georgia Dream loans in the total amount of \$1.1 million. The Augusta Housing and Community Development Program is available to borrowers who satisfy income limitations. Under the program, qualified borrowers receive down payment and closing cost assistance. During the review period, the bank has made four loans under the Augusta Housing and Community Development Program in the total amount of \$383 thousand.

The USDA Rural Development Housing Program targets rural counties in the state of Georgia. Targeted counties in QNB&T's AAs include Bulloch, Burke, Emanuel, Jefferson, Jenkins, McDuffie, Screven, and Washington. This program offers loans to assist low- and moderate-income borrowers to purchase, build, and renovate homes in rural areas by offering flexible lending terms, such as 100 percent financing. For the period reviewed, QNB&T originated 51 loans under the USDA Rural Development Housing Program in the total amount of \$5.6 million. The USDA Farm Service Agency (FSA) Loan

Program provides access to credit for farmers and ranchers who are temporarily unable to obtain credit from a commercial source at reasonable rates and terms. The FSA loan program guarantees lenders up to 95 percent of the loss of principal and interest on a loan, and enables lenders to make agricultural credit to farmers who do not meet the lender's normal underwriting criteria. During the review period, QNB&T granted 53 FSA loans in the total amount of \$10.7 million.

The U.S. Small Business Administration (SBA) offers a number of financial assistance programs that help meet the needs of small businesses. Under these various programs, the SBA provides guarantees of principal to assist small business owners to obtain credit who may not qualify under traditional commercial loan products. During the period reviewed, QNB&T granted 30 SBA loans in the total amount of \$6.5 million.

### **Conclusions for Areas Receiving Limited-Scope Reviews**

Based on a limited-scope review, the bank's performance under the Lending Test in the Chatham AA assessment area is not inconsistent with the bank's overall "High Satisfactory" performance under the Lending Test. While performance was weaker, it does not detract from the bank's overall performance.

Refer to Tables 1 through 12 in appendix C for the facts and data that support this conclusion.

## **INVESTMENT TEST**

### **Conclusions for Areas Receiving Full-Scope Reviews**

The bank's performance under the Investment Test is rated "Outstanding." Based on full-scope reviews, the bank's performance in both AAs is excellent. QNB&T has an excellent level of qualified CD investments and grants and exhibits an excellent responsiveness to credit and CD needs.

Refer to Table 14 in appendix C for the facts and data used to evaluate the bank's level of qualified investments.

At the start of the prior CRA Evaluation, the bank was credited with \$3.7 million in total qualified investments. Two of these investments were existing book values from the prior period totaling \$1,977,105. One of these was an investment in a Georgia statewide tax credit fund. The other was made in a pool of mortgages backed by the Federal National Mortgage Association (FNMA) that satisfy the definition of community development. In addition, the bank made an investment during the prior period totaling \$1,080,563 in a Government National Mortgage Association (GNMA) pool of community development securities. This investment was sold prior to the current review period. The bank was also credited during the prior period with 29 grants and donations to various non-profit organizations providing community development related services to low- and moderate-income families and for community revitalization.

At the current examination, QNB&T has \$3.6 million in total qualified investments. Of these, \$1.9 million represents existing book values in the prior period FNMA and GNMA pools. During the current

review period, the bank invested \$1,473,663 in another FNMA pool backed by community development-related mortgages. The majority of the mortgage pool is located in QNB&T's AAs, including Chatham County. The remainder is located in the greater statewide area. In addition, during the period under review, the bank made 40 charitable contributions that satisfy the definition of community development. Of these, the majority (\$102,682) were made within the MSA assessment area, with \$47,861 made in the East Georgia AA assessment area.

### **Conclusions for Area Receiving Limited-Scope Reviews**

Based on the limited-scope review, QNB&T's performance under the Investment Test in the Chatham AA was not performed. The number and amount of investments originated in the Chatham AA were insignificant and not evaluated for analytical purposes. This factor had a neutral impact on the investment test evaluation.

## **SERVICE TEST**

### **Conclusions for Areas Receiving Full-Scope Reviews**

The bank's performance under the Service Test is rated "Outstanding." Based on full-scope reviews, QNB&T's performance in both AAs is excellent.

### **Retail Banking Services**

Refer to Table 15 in appendix C for the facts and data used to evaluate the distribution of the bank's branch delivery system and branch openings and closings.

Products, services, and service delivery systems are accessible to geographies and individuals of different income levels within the AAs. In addition, business hours do not vary in a way that would inconvenience customers in low- and moderate-income geographies. The bank's record of opening and closing of branches has not adversely affected the accessibility of its delivery systems, particularly to low-and moderate-income geographies and/or low-and moderate-income individuals.

The bank has not opened or closed any branch offices since the prior CRA Evaluation. Currently the bank does not have any branch offices in a low-income census tract. During this evaluation period, two low-income census tracts transitioned to moderate-income tracts due to census reassessment. QNB&T operates 22 branch offices. Ten of these branches are located in the Augusta AA, eleven are in the East Georgia AA assessment area, and one is located in Chatham AA. Three of the ten branches in the Augusta AA (30 percent) are located in moderate-income census tracts. The remainder are in middle- and upper-income census tracts. In the East Georgia AA, six of the eleven branches (54.5 percent) are in moderate-income census tracts. The remainder are in middle-income census tracts. The branch located in Chatham AA is in a moderate-income census tract.

Within both AAs, delivery systems are accessible to the bank's geographies and individuals of different income levels. Of the 22 branch offices, 20 are equipped with automated teller machines available for customer banking needs, and loan officers are available at each branch location. In addition, customers have the ability to access their accounts online, by phone, or through mobile banking services. By phone, customers can make balance and transaction inquiries and transfer funds between accounts.

Online and through mobile banking, customers can view account balances and review account history, transfer money between accounts, and pay bills owed to any merchant, institution, or creditor.

## **Community Development Services**

QNB&T provides a high level of community development services in both AAs. The innovativeness and responsiveness of community development services to the needs of low- and moderate-income individuals and geographies are excellent. During the current review period, the bank served 77 organizations throughout its AAs by providing various types of assistance that satisfy the definition of community development.

In the Augusta AA, QNB&T served 30 community organizations. These included local government entities that promote affordable housing and economic development, education-based organizations that offer financial assistance to underprivileged students and charitable groups that provide various types of assistance to low- and moderate-income individuals as well as to needy and abused children. These organizations include, among others, the University Healthcare Foundation, the CSRA Economic Opportunity Authority, the Golden Harvest Food Bank, the City of Thomson Economic Development Revolving Loan Fund, and the Augusta Training Shop. Services provided to these organizations include teaching financial literacy courses, serving as Board members, assisting in fund raising activities, and conducting homebuyer education classes.

In the East Georgia AA, QNB&T provided community development services to 43 community organizations. The types of organizations served include those that provide health care services in low- and moderate-income areas regardless of the recipient's ability to pay, governmental affordable housing and economic development entities, organizations that offer various community services such as donations of food and medical supplies, as well as schools and churches that provide charitable community services in rural low- and moderate-income geographies. QNB&T employees provide financial literacy training through these organizations, serve as Board members, and provide fund raising expertise.

In addition, the bank provided fund raising assistance to a non-profit charitable organization that distributes food to needy families throughout counties within both AAs. The bank also provided technical financial assistance to a small business development company that services the needs of all Georgia counties. In the Chatham AA, QNB&T employees participated in a program that provides financial education to low- and moderate-income students, and provided technical assistance on financial matters to a non-profit that promotes economic development within the county.

## **Conclusions for Areas Receiving Limited-Scope Reviews**

Based on a limited-scope review, the bank's performance under the Service Test in the Chatham AA assessment area is not inconsistent with the bank's overall "Outstanding" performance under the Service Test.

## Appendix A: Scope of Examination

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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”).

<b>Time Period Reviewed</b>	Lending Test (excludes CD Loans): 01/01/2012 to 06/30/2014 Investment and Service Tests and CD Loans: 11/28/2011 to 01/20/2015	
<b>Financial Institution</b>	<b>Products Reviewed</b>	
QNB&T Company Louisville, Georgia	HMDA loans, small business and small farm loans, and community development loans.	
<b>Affiliate(s)</b>	<b>Affiliate Relationship</b>	<b>Products Reviewed</b>
N/A	N/A	N/A
<b>List of Assessment Areas and Type of Examination</b>		
<b>Assessment Area</b>	<b>Type of Exam</b>	<b>Other Information (counties)</b>
Augusta AA	Full-scope	Burke, Columbia, McDuffie, and Richmond.
East Georgia AA	Full-scope	Bulloch, Candler, Emanuel, Jefferson, Jenkins, Screven, and Washington.
Chatham AA	Limited-scope	Chatham

## Appendix B: Market Profiles for Full-Scope Areas

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### Augusta AA

Demographic Information for Full-Scope Area: Augusta AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	78	10.26	30.77	32.05	26.92	0
Population by Geography	369,793	6.87	27.40	34.41	31.32	0
Owner-Occupied Housing by Geography	86,927	4.45	25.10	33.41	37.04	0
Businesses by Geography	24,046	7.22	22.73	32.11	37.94	0
Farms by Geography	729	3.29	30.04	34.02	32.65	0
Family Distribution by Income Level	90,391	6.44	27.44	32.76	33.36	0
Distribution of Low- and Moderate-Income Families throughout AA Geographies	36,532	12.16	39.09	31.54	17.21	0
FFIEC Adjusted Median Family Income for 2012 FFIEC Adjusted Median Family Income for 2013 FFIEC Adjusted Median Family Income for 2014 Households Below the Poverty Level	= \$57,900 = \$56,800 = \$57,600 = 16.47%	Median Housing Value = \$132,397				

(\*) The NA category consists of geographies that have not been assigned an income classification.  
Source: 2010 U.S. Census and FFIEC updated MFI.

## East Georgia AA

Demographic Information for Full-Scope Area: East Georgia AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	37	5.41	21.62	62.16	10.81	0
Population by Geography	164,863	8.53	21.20	52.11	18.16	0
Owner-Occupied Housing by Geography	37,088	.77	21.18	57.46	20.59	0
Businesses by Geography	9,776	3.72	21.08	56.58	18.62	0
Farms by Geography	837	0.00	21.03	59.62	19.35	0
Family Distribution by Income Level	37,502	1.17	23.09	55.85	19.89	0
Distribution of Low- and Moderate-Income Families throughout AA Geographies	15,796	2.02	29.68	55.43	12.87	0
FFIEC Adjusted Median Family Income for 2012 = \$45,200 FFEIC Adjusted Median Family Income for 2013 = \$45,600 FFIEC Adjusted Median Family Income for 2014 = \$47,400 Households Below the Poverty Level = 24.95%	Median Housing Value = \$94,349					

(\*) The NA category consists of geographies that have not been assigned an income classification.

Source: 2010 U.S. Census and FFIEC updated MFL.

QNB&T has three separate AAs, two of which received full-scope reviews. The East Georgia AA is located between the cities of Augusta and Savannah. This AA is comprised of seven contiguous non-MSA counties. These include Bulloch, Candler, Emanuel, Jefferson, Jenkins, Screven, and Washington. Several counties in this AA have middle-income underserved geographies. The other AA that received a full-scope review is the Augusta AA (MSA). This AA consists of the four contiguous Georgia counties of Burke, Columbia, McDuffie, and Richmond. QNB&T has also designated Chatham County, where the bank operates one office, as an AA. This AA received a limited-scope review.

The Augusta AA borders the state of South Carolina. This AA does not include the entire MSA, but is limited to the Georgia counties where the bank has offices. The city of Augusta is the largest municipality within this AA. The FFIEC adjusted median family income for the Augusta AA decreased from \$57,900 for 2012 to \$57,600 by 2014. According to the Federal Deposit Insurance Corporation (FDIC) data as of June 30, 2014, QNB&T has the sixth highest deposit market share in the MSA. The top three financial institutions with the highest deposit market shares in the AA are Georgia Bank & Trust Company of Augusta, Wells Fargo Bank, N.A., and SunTrust Bank.

QNB&T encounters significant competition from other lenders operating within the Augusta AA. Aside from QNB&T, as of June 30, 2014, there were seventeen FDIC-insured financial institutions operating within the MSA having 90 locations. The bank operates three of its ten branches in the MSA in moderate-income census tracts. According to 2010 U. S. Census data, there are 131,890 households in the MSA. Of these, 7.55 percent are in low-income census tracts, 28.8 percent are in moderate-income

census tracts, 32.99 percent are in middle-income census tracts, and 30.66 percent are in upper-income census tracts. As for housing units, 57.4 percent are owned-occupied, 33.4 percent are rental units, and 11.65 percent are mobile homes.

According to the U.S. Department of Labor, Bureau of Labor Statistics, as of December 2014 unemployment rates for the MSA and the State of Georgia were 6.5 percent and 6.9 percent, respectively. Data from the Bureau of Labor Statics for December 2014 also show that income per capita in Augusta is 19 percent less than the Georgia average, and that Augusta's poverty level (based on population) is 41.2 percent greater than the Georgia average. In large part, the MSA economy is dependent upon Fort Gordon. The U.S. Census Bureau's 2013 Business Geodemographic data indicates that the largest sector of employment in the MSA is service jobs, with 46.19 percent of jobs in that sector. The second largest is retail trade, with 13.63 percent of jobs. In 2014, 97.06 percent of all businesses in the MSA were non-farm. Further, the overwhelming majority (72.26 percent) of the AA's non-farm businesses produced annual revenues of less than \$1 million.

QNB&T's main office is located in the East Georgia AA area, in the city of Louisville. The FFIEC's non-MSA adjusted median family income for the state of Georgia steadily increased from \$45,200 in 2012, to \$47,400 in 2014. According to FDIC data as of June 30, 2014, the bank has the highest deposit market share in the AA. The financial institutions with the second and third highest deposit market shares in the East Georgia AA are the George D. Warthen Bank and Durden Banking Company.

Aside from QNB&T, as of June 30, 2014, there were 17 FDIC-insured financial institutions operating within the East Georgia AA with 53 locations. QNB&T operates six of its eleven branches in moderate-income census tracts. According to U.S. Census data, there are 57,527 households in the East Georgia AA. Of these 5.69 percent are in low-income census tracts, 22.7 percent are in moderate-income census tracts, 53.18 percent are in middle-income census tracts, and 18.43 percent are in upper-income census tracts. With respect to housing units, 52.98 percent are owned-occupied, 32.79 percent are rental units, and 26.26 percent are mobile homes.

According to economic data obtained from the United States Department of Agriculture, the percentage of persons living below the poverty level in the state of Georgia in 2013 was 19 percent. For that same year, all seven counties in the East Georgia AA had higher percentages of persons living below the poverty level than the state poverty level percentage. In addition, of the 159 Georgia counties, Jenkins County had the fourth highest poverty level percentage (based on population) and Emanuel County had the eighth highest.

Geodemographic data reflects that the largest sector of jobs in the East Georgia AA is in services (40.27 percent), with the second highest being retail trade (12.95 percent). In addition, 92.11 percent of businesses in the assessment area are non-farm, and 70.84 percent of those businesses are small, producing annual revenues less than \$1 million.

## Appendix C: Tables of Performance Data

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### Content of Standardized 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 loans are treated as originations/purchases and market share is the number of loans originated and purchased by the bank as a percentage of the aggregate number of reportable loans originated and purchased by all lenders in the MA/assessment area; (2) Partially geocoded loans (loans where no census tract is provided) cannot be broken down by income geographies and, therefore, are only reflected in the Total Loans in Core Tables 2 through 7 and part of Table 13; and (3) Partially geocoded loans are included in the Total Loans and % Bank Loans Column in Core Tables 8 through 12 and part of Table 13. Tables without data are not included in this PE. [Note: Do not renumber the tables.]

The following is a listing and brief description of the tables:

- Table 1. Lending Volume** - Presents the number and dollar amount of reportable loans originated and purchased by the bank over the evaluation period by MA/assessment area. Community development loans to statewide or regional entities or made outside the bank’s assessment area may receive positive CRA consideration. See Interagency Q&As \_\_.12 (i) - 5 and - 6 for guidance on when a bank may receive positive CRA consideration for such loans. Refer to the CRA section of the Compliance Policy intranet page for guidance on table placement.
- Table 1. Other Products** - Presents the number and dollar amount of any unreported category of loans originated and purchased by the bank over the evaluation period by MA/assessment area. Examples include consumer loans or other data that a bank may provide, at its option, concerning its lending performance. This is a two-page table that lists specific categories.
- Table 2. Geographic Distribution of Home Purchase Loans** - Compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of owner-occupied housing units throughout those geographies. The table also presents market share information based on the most recent aggregate market data available.
- Table 3. Geographic Distribution of Home Improvement Loans** - See Table 2.
- Table 4. Geographic Distribution of Home Mortgage Refinance Loans** - See Table 2.
- Table 5. Geographic Distribution of Multifamily Loans** - Compares the percentage distribution of the number of multifamily loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of multifamily housing units throughout those geographies. The table also presents market share information based on the most recent aggregate market data available.

- Table 6. Geographic Distribution of Small Loans to Businesses** - The percentage distribution of the number of small loans (less than or equal to \$1 million) to businesses originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of businesses (regardless of revenue size) throughout those geographies. The table also presents market share information based on the most recent aggregate market data available. Because small business 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 7. Geographic Distribution of Small Loans to Farms** - 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 market share information based on the most recent aggregate market data available. Because 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 8. Borrower Distribution of Home Purchase Loans** - Compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage distribution of families by income level in each MA/assessment area. The table also presents market share information based on the most recent aggregate market data available.
- Table 9. Borrower Distribution of Home Improvement Loans** - See Table 8.
- Table 10. Borrower Distribution of Refinance Loans** - See Table 8.
- Table 11. Borrower Distribution of Small Loans to Businesses** - Compares the percentage distribution of the number of small loans (less than or equal to \$1 million) originated and purchased 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. In addition, the table presents the percentage distribution of the number of loans originated and purchased 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 12. Borrower Distribution of Small Loans to Farms** - Compares the percentage distribution of the number of small loans (less than or equal to \$500,000) originated and purchased 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. In addition, the table presents the percentage distribution of the number of loans originated and purchased 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 13. Geographic and Borrower Distribution of Consumer Loans (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 households 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 MA/assessment area.

**Table 14. Qualified Investments** - Presents the number and dollar amount of qualified investments made by the bank in each MA/AA. The table separately presents investments made during prior evaluation periods that are still outstanding and investments made during the current evaluation period. Prior-period investments are reflected at their book value as of the end of the evaluation period. Current period investments are reflected at their original investment amount even if that amount is greater than the current book value of the investment. The table also presents the number and dollar amount of unfunded qualified investment commitments. In order to be included, an unfunded commitment must be legally binding and tracked and recorded by the bank's financial reporting system.

A bank may receive positive consideration for qualified investments in statewide/regional entities or made outside of the bank's assessment area. See Interagency Q&As \_\_.12 (i) - 5 and - 6 for guidance on when a bank may receive positive CRA consideration for such investments. Refer to the CRA section of the Compliance Policy intranet page for guidance on table placement.

**Table 15. Distribution of Branch Delivery System and Branch Openings/Closings** - Compares the percentage distribution of the number of the bank's branches in low-, moderate-, middle-, and upper-income geographies to the percentage of the population within each geography in each MA/AA. The table also presents data on branch openings and closings in each MA/AA.

Table 1. Lending Volume

LENDING VOLUME												Geography: GEORGIA		Evaluation Period: January 1, 2012 to December 31, 2013	
MA/Assessment Area:	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***			
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$(000's)				
<b>Full Review:</b>															
Augusta AA	70.56%	1,071	\$166,690	561	\$57,088	71	\$9,302	2	\$341	1,705	\$233,421	48.63%			
East Georgia AA	23.78%	271	\$21,938	321	\$23,088	315	\$31,918	7	\$1,724	914	\$78,668	46.98%			
<b>Limited Review:</b>															
Chatham AA	5.66%	27	\$9,104	31	\$9,057	0	0	3	\$568	61	\$18,729	1.23%			

\* HMDA Loan Data as of December 31, 2013. Rated area refers to either the state or multi-state MA rating area.

\*\* The evaluation period for Community Development Loans is November 28, 2011, to January 20, 2015.

\*\*\* Deposit Data as of June 30, 2014. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.



Table 3. Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT		Geography: GEORGIA								Evaluation Period: January 1, 2012 to December 31, 2013					
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% 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
<b>Full Review:</b>															
Augusta AA	67	39.64%	4.45%	2.99%	25.10%	49.25%	33.41%	34.33%	37.04%	13.43%	7.51	9.52	13.67	8.00	2.19
East Georgia AA	101	59.76%	.77%	0	21.18%	44.55%	57.45%	54.46%	20.60%	.99%	29.78	0	48.08	30.34	2.78
<b>Limited Review:</b>															
Chatham County AA	1	.60%	5.74%	0	21.41%	0	28.60%	100.00%	44.25%	0	.48	0	0	1.67	0

\* Based on 2013 Peer Mortgage Data.

\*\* Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied housing units in a particular geography divided by number of owner occupied housing units in the area based on 2010 Census information.

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE												Geography: GEORGIA		Evaluation Period: January 1, 2012 to December 31, 2013				
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*							
	#	% of Total**	% 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			
<b>Full Review:</b>																		
Augusta AA	398	78.66%	4.45%	2.01%	25.10%	19.10%	33.41%	21.61%	37.04%	57.28%	2.20	3.57	3.39	1.50	2.25			
East Georgia AA	99	19.57%	.77%	3.03%	21.18%	21.21%	57.45%	68.69%	20.60%	7.07%	3.78	0	5.26	5.81	.77			
<b>Limited Review:</b>																		
Chatham County AA	9	1.77%	5.74%	0	21.41%	44.44%	28.60%	33.33%	44.25%	22.23%	.11	0	.40	.13	.03			

\* Based on 2013 Peer Mortgage Data.

\*\* Home mortgage refinance loans originated and purchased in the MA/AA as a percentage of all home mortgage refinance loans originated and purchased in the rated area.

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied housing units in a particular geography divided by number of owner occupied housing units in the area based on 2010 Census information.

Table 5. Geographic Distribution of Multifamily Loans

Geographic Distribution: MULTIFAMILY												Geography: GEORGIA				Evaluation Period: January 1, 2012 to December 31, 2013				
MA/Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*									
	#	% of Total**	% of MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	Overall	Low	Mod	Mid	Upp					
<b>Full Review:</b>																				
Augusta AA	3	42.86%	10.28%	0	34.53%	33.33%	31.34%	66.67%	23.85%	0	17.65	0	16.67	40.00	0					
East Georgia AA	0	0	50.80%	0	20.45%	0	22.20%	0	6.55%	0	0	0	0	0	0					
<b>Limited Review:</b>																				
Chatham County AA	4	57.14%	10.78%	0	30.34%	25.00%	32.51%	75.00%	26.37%	0	4.76	0	6.67	5.88	0					

\* Based on 2013 Peer Mortgage Data.

\*\* Multifamily loans originated and purchased in the MA/AA as a percentage of all multifamily loans originated and purchased in the rated area.

\*\*\* Percentage of multifamily units is the number of multifamily housing units in a particular geography divided by number of multifamily housing units in the area based on 2010 Census information.

Table 6. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES												Geography: GEORGIA		Evaluation Period: January 1, 2012 to December 31, 2013				
MA/Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*							
	#	% of Total**	% of Businesses**	% BANK Loans	% of Businesses*	% BANK Loans	% of Businesses**	% BANK Loans	% of Businesses*	% BANK Loans	% of Businesses**	% BANK Loans	Overall	Low	Mod	Mid	Upp	
<b>Full Review:</b>																		
Augusta AA	561	61.45%	7.2%	4.99%	23.25%	27.09%	32.26%	35.83%	37.29%	32.09%	6.33	5.50	10.08	7.17	4.74			
East Georgia AA	321	35.16%	3.56%	.93%	21.70%	37.07%	56.47%	58.88%	18.27%	3.12%	9.63	3.49	16.85	11.10	.66			
<b>Limited Review:</b>																		
Chatham County AA	31	3.39%	6.95%	6.45%	24.52%	19.35%	29.88%	22.58%	38.38%	51.62%	.35	0	.28	.16	.60			

\* Based on 2013 Peer Small Business Data.

\*\* Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

\*\*\* Source Data - Dun and Bradstreet 2013.

Table 7. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL LOANS TO FARMS												Geography: GEORGIA		Evaluation Period: January 1, 2012 to December 31, 2013				
MA/Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*							
	#	% of Total**	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	Overall	Low	Mod	Mid	Upp			
<b>Full Review:</b>																		
Augusta AA	71	18.39%	4.36%	0	30.30%	69.01%	35.64%	28.17%	29.70%	2.82%	44.19	0	54.35	50.00	7.14			
East Georgia AA	315	81.61%	0	0	23.01%	25.71%	58.71%	73.33%	18.28%	.96%	43.01	0	56.00	45.56	4.76			
<b>Limited Review:</b>																		
Chatham County AA	0	0	5.46%	0	22.80%	0	33.25%	0	38.49%	0	0	0	0	0	0			

\* Based on 2013 Peer Small Business Data.

\*\* Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.

\*\*\* Source Data - Dun and Bradstreet 2013.

Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE												Geography: GEORGIA				Evaluation Period: January 1, 2012 to December 31, 2013				
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share*									
	#	% of Total*	% Families***	% BANK Loans***	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Overall	Low	Mod	Mid	Upp					
<b>Full Review:</b>																				
Augusta AA	603	87.77%	23.67%	4.43%	16.85%	21.64%	18.97%	30.66%	40.51%	43.27%	5.86	3.52	7.01	7.41	4.59					
East Georgia AA	71	10.34%	23.12%	7.58%	19.20%	25.76%	17.56%	28.79%	40.12%	37.87%	4.62	7.41	8.89	4.00	3.42					
<b>Limited Review:</b>																				
Chatham County AA	13	1.89%	23.06%	0	18.13%	0	19.35%	0	39.46%	100.00%	.12	0	0	0	.25					

\* Based on 2013 Peer Mortgage Data.

\*\* Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

\*\*\* Percentage of Families is based on the 20010 Census information.

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 3.5 percent of loans originated and purchased by Bank.

Table 9. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT		Geography: GEORGIA					Evaluation Period: January 1, 2012 to December 31, 2013					Market Share*				
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers							
	#	% of Total**	% Families***	% BANK Loans***	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Overall	Low	Mod	Mid	Upp	
<b>Full Review:</b>																
Augusta AA	67	39.64%	23.67%	19.64%	16.85%	17.86%	18.97%	19.64%	40.51%	42.86%	6.52	12.50	7.69	3.57	6.07	
East Georgia AA	101	59.76%	23.12%	39.02%	19.20%	17.07%	17.56%	15.85%	40.12%	28.06%	25.16	63.64	43.48	20.69	11.76	
<b>Limited Review:</b>																
Chatham County AA	1	.59%	23.06%	0	18.13%	0	19.35%	0	39.46%	0	0	0	0	0	0	

\* Based on 2013 Peer Mortgage Data.

\*\* Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

\*\*\* Percentage of Families is based on the 2010 Census information.

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 18.3 percent of loans originated and purchased by Bank.

Table 10. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE												Geography: GEORGIA		Evaluation Period: January 1, 2012 to December 31, 2013				
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share*							
	#	% of Total**	% Families***	% BANK Loans***	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Overall	Low	Mod	Mid	Upp			
<b>Full Review:</b>																		
Augusta AA	398	78.66%	23.67%	3.74%	16.85%	12.46%	18.97%	19.00%	40.51%	64.80%	2.91	1.40	3.21	3.06	2.96			
East Georgia AA	99	19.57%	23.12%	8.54%	19.20%	18.29%	17.56%	31.71%	40.12%	41.46%	3.99	7.84	6.50	7.39	2.31			
<b>Limited Review:</b>																		
Chatham County AA	9	1.77%	23.06%	0	18.13%	0	19.35%	0	39.46%	100.00%	.07	0	0	0	.12			

\* Based on 2013 Peer Mortgage Data.

\*\* Home mortgage refinance loans originated and purchased in the MA/AA as a percentage of all home mortgage refinance loans originated and purchased in the rated area.

\*\*\* Percentage of Families is based on the 2010 Census information.

\*\*\*\* As a percentage of loans with borrower income information available. No information was available for 19.4 percent of loans originated and purchased by Bank.

Table 11. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES					Geography: GEORGIA		Evaluation Period: January 1, 2012 to December 31, 2013		
MA/Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Market Share*	
	#	% of Total**	% of Businesses**	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev \$1 Million or Less
<b>Full Review:</b>									
Augusta AA	561	61.45%	72.89%	65.78%	74.87%	13.01%	12.12%	6.33	7.90
East Georgia AA	321	35.15%	70.01%	66.98%	80.69%	13.08%	6.23%	9.63	11.57
<b>Limited Review:</b>									
Chatham County AA	31	3.40%	70.31%	38.71%	41.94%	9.68%	48.39%	.35	.18

\* Based on 2013 Peer Small Business Data: US.

\*\* Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

\*\*\* Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B – 2013).

\*\*\*\* Small loans to businesses with revenues of \$1 million or less as a percentage of all loans reported as small loans to businesses. No information was available for 10.41 percent of small loans to businesses originated and purchased by the Bank.



Table 12. Borrower Distribution of Small Loans to Farms

Borrower Distribution: SMALL LOANS TO FARMS					Geography: GEORGIA		Evaluation Period: January 1, 2012 to December 31, 2013		
MA/Assessment Area:	Total Small Loans to Farms		Farms With Revenues of \$1 million or less		Loans by Original Amount Regardless of Farm Size			Market Share*	
	#	% of Total**	% of Farms***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$500,000	All	Rev \$1 Million or Less
<b>Full Review:</b>									
Augusta AA	71	18.39%	97.58%	61.97%	54.93%	23.94%	21.13%	44.19	50.00
East Georgia AA	315	81.61%	97.96%	65.08%	65.71%	21.27%	13.02%	43.01	47.09
<b>Limited Review:</b>									
Chatham County AA	0	0	96.67%	0	0	0	0	0	0

\* Based on [2013] Peer Small Business Data: US.

\*\* Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.

\*\*\* Farms with revenues of \$1 million or less as a percentage of all farms (Source D&B - 2013).

\*\*\*\* Small loans to farms with revenues of \$1 million or less as a percentage of all loans reported as small loans to farms. No information was available for 4.15 percent of small loans to farms originated and purchased by Bank.

Table 14. Qualified Investments

QUALIFIED INVESTMENTS		Geography: GEORGIA		Evaluation Period: November 28, 2011 to January 20, 2015					
MA/Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
<b>Full Review:</b>									
Augusta AA	1	1,080,563	22	1,230,035	23	2,310,598	64.71	0	0
East Georgia AA	1	866,000	19	47,861	20	913,861	25.59	0	0
<b>Limited Review:</b>									
Chatham County AA	0	0	1	346,310	1	346,310	9.70	0	0

\* 'Prior Period Investments' means investments made in a previous evaluation period that are outstanding as of the examination date.  
 \*\* 'Unfunded Commitments' means legally binding investment commitments that are tracked and recorded by the institution's financial reporting system.

Table 15. Distribution of Branch Delivery System and Branch Openings/Closings

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS Geography: GEORGIA Evaluation Period: November 28, 2011 to January 20, 2015																	
MA/Assessment Area:	Deposits	Branches						Branch Openings/Closings						Population			
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
<b>Full Review:</b>																	
Augusta AA	48.63	10	45.45	0	3	3	4	0	0	0	0	0	0	6.87	27.40	34.41	31.32
East Georgia AA	46.98	11	50.00	0	6	5	0	0	0	0	0	0	8.53	23.67	49.65	18.15	
<b>Limited Review:</b>																	
Chatham County AA	1.23	1	4.55	0	1	0	0	0	0	0	0	0	0	10.27	27.37	27.01	35.35

