



PUBLIC DISCLOSURE

November 25, 2019

**COMMUNITY REINVESTMENT ACT
PERFORMANCE EVALUATION**

The First National Bank of Hutchinson
Charter Number 3180

One North Main Street
Hutchinson, KS 67504

Office of the Comptroller of the Currency

2959 N. Rock Road, Suite 510
Wichita, KS 67226

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

Table of Contents

Overall CRA Rating.....	1
Description of Institution	2
Scope of the Evaluation	2
Discriminatory or Other Illegal Credit Practices Review	4
State Rating.....	5
State of Kansas.....	5
Appendix A: Scope of Examination	A-1
Appendix B: Summary of MMSA and State Ratings.....	B-1
Appendix C: Definitions and Common Abbreviations.....	C-1
Appendix D: Tables of Performance Data.....	D-1

Overall CRA Rating

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

The lending test is rated: Satisfactory

The community development test is rated: Satisfactory

The major factors that support this rating include:

- The Lending Test rating is based on Satisfactory performance in the State of Kansas.
- The Community Development (CD) Test rating is based on Satisfactory performance in the State of Kansas.
- A more than reasonable loan-to-deposit ratio (LTD).
- A majority of the bank's loans were made in its assessment area(s) (AAs).

Loan-to-Deposit Ratio

Considering the bank's size, financial condition, and credit needs of the AAs, the bank's LTD ratio is more than reasonable.

The First National Bank of Hutchinson (FNB's) average quarterly LTD ratio is 79 percent. The LTD ratio is calculated on a bank-wide basis. Examiners compared FNB to three similarly situated institutions within or near the AAs. The comparison is supported by the fact that FNB represents a very small part of the market in the Wichita AA and there are very few banks in or near either AA that mirror FNB's size and operations. The three banks' LTD ratios averaged 72 percent and ranged from 56 percent to 82 percent. FNB also originated \$26 million in loans that were sold into the secondary market during the evaluation period. These loans are not included in the LTD ratio.

Lending in Assessment Area

A majority of the bank's loans were made inside its AAs.

The bank originated and purchased 75 percent of its loans inside the bank's AAs during the evaluation period. This analysis is performed at the bank, rather than the AA level. This percentage does not include extensions of credit by affiliates that may be considered under the other performance criteria.

Lending Inside and Outside of the Assessment Area										
Loan Category	Number of Loans				Total #	Dollar Amount of Loans \$(000s)				Total \$(000s)
	Inside		Outside			Inside		Outside		
	#	%	#	%		\$	%	\$	%	
Home Mortgage	344	75.1	114	24.9	458	45,038	70.1	19,195	29.9	64,233
Consumer	60	75.0	20	25.0	80	729	40.4	1,074	59.6	1,803
Total	404	75.1	134	24.9	538	45,767	69.3	20,269	30.7	66,036

Description of Institution

FNB is a single-state financial institution headquartered in Hutchinson, Kansas. As of September 30, 2019, FNB had total assets of \$715 million and tier 1 capital of \$93 million. The bank is a wholly-owned subsidiary of First Kansas Bancshares, Inc., also located in Hutchinson, Kansas. As of June 30, 2019, the holding company had \$96 million in total assets. The bank has no affiliates requiring consideration for CRA activities.

FNB identifies the following two AAs: Reno County AA (Reno) which is a non-Metropolitan Statistical Area (MSA) and the Sedgwick/Harvey Counties AA (Sedgwick/Harvey), that consists of 24 tracts in the Wichita MSA. Within the AAs, the bank operates the main bank and seven branches. Six branches include drive-up facilities. FNB operates ten automated teller machines (ATMs), with four that accept deposits. Since the last examination, the bank has closed the Mt. Hope branch and the 3rd and Elm branch in Hutchinson.

Competition among financial institutions in the AAs is moderate. FNB has a much larger presence in the Reno County market. According to the June 30, 2018 FDIC Summary of Deposits Report, the main bank and five of the branches located in the Reno AA represent 91 percent of FNB's total deposits. The June 30, 2018 FDIC Deposit Market Share Report, ranks the bank first among nine other institutions in Reno County with 46 percent of deposits. In the Sedgwick/Harvey AA, FNB, ranks 29th among 45 institutions with 0.35 percent of deposits and two offices in the AA.

FNB offers a wide variety of products and services for individuals and businesses. The full-service bank offers a range of commercial, real estate, agricultural, and consumer credit products. The bank offers online and mobile banking services to both personal and business customers. FNB's Internet website, www.fnbhutch.bank, provides detailed information on products and services for consumers and businesses. Another business strategy is serving as a regional correspondent bank. Services for correspondent banks consist of a variety of operational services including cash management, cash letter processing, federal funds, funds transfer, automated clearing house services, and buying and selling loan participations.

As of September 30, 2019, the loan portfolio totaled \$501 million, which represented 70 percent of total assets. The portfolio had the following composition: commercial 66 percent; residential real estate 12 percent; agriculture 15 percent; consumer 2 percent; and other loans 5 percent.

The bank is not subject to any pending litigation or other factors impeding its ability to meet the credit needs in its AAs. The Office of the Comptroller of the Currency (OCC) rated the bank "Satisfactory" at the last Community Reinvestment Act examination on October 17, 2016.

Scope of the Evaluation

Evaluation Period/Products Evaluated

Examiners evaluated FNB using Intermediate/Small Bank examination procedures, which included a lending test and a community development test. The lending test covers FNB's performance from

July 1, 2016, through December 31, 2018. Each AA was evaluated based on its primary lending product(s). Primary products included home mortgage loans and consumer loans in both AAs.

The community development test included a review of community development loans, qualified investments and donations, and community development services. The community development evaluation period was from October 12, 2016, through December 31, 2018.

Examiners performed two evaluations for the lending test. For the performance year of 2016, examiners utilized data from the 2010 U.S. Census. The performance years of 2017-2018 utilized data from the 2015 American Community Survey (ACS). To evaluate FNB's lending performance, examiners evaluated the bank's HMDA data for the evaluation period of 2016 and 2017-2018. Examiners sampled 20 consumer loans from the 2016 evaluation period and 20 consumer loans from 2017-2018 for the Reno AA. Examiners sampled 20 consumer loans from the 2016 evaluation period and 20 consumer loans for 2017-2018 for the Sedgwick/Harvey AA.

Selection of Areas for Full-Scope Review

In each state where the bank has an office, one or more of AAs within that state was selected for a full-scope review. For purposes of this evaluation, bank delineated AAs located within the same MSA, multistate metropolitan statistical area (MMSA), or combined statistical area (CSA) are combined and evaluated as a single AA. Similarly, bank delineated non-MSA AAs within the same state are combined and evaluated as a single area. These combined AAs may be evaluated as full- or limited-scope. Refer to the "Scope" section under each State Rating for details regarding how full-scope AAs were selected. Refer to Appendix A, Scope of Examination, for a list of full- and limited-scope AAs.

Ratings

The bank's overall rating is a blend of the state ratings.

Examiners gave more weight to the Reno AA as the majority of loans were made in that AA. Examiners weighted the results from the years 2017-2018 heavier since this period represented a larger proportion of the lending activities.

The state ratings are based on performance in all bank AAs. Refer to the "Scope" section under each state and MMSA Rating section for details regarding how the areas were weighted in arriving at the respective ratings.

Discriminatory or Other Illegal Credit Practices Review

Pursuant to 12 CFR 25.28(c) or 195.28(c), respectively, in determining a national bank's or federal savings association's (collectively, bank) CRA rating, the OCC considers evidence of discriminatory or other illegal credit practices in any geography by the bank, or in any AA by an affiliate whose loans have been considered as part of the bank's lending performance. As part of this evaluation process, the OCC consults with other federal agencies with responsibility for compliance with the relevant laws and regulations, including the U.S. Department of Justice, the U.S. Department of Housing and Urban Development, and the Bureau of Consumer Financial Protection, as applicable.

The OCC has not identified that this institution has engaged in discriminatory or other illegal credit practices that require consideration in this evaluation.

The OCC will consider any information that this institution engaged in discriminatory or other illegal credit practices, identified by or provided to the OCC before the end of the institution's next performance evaluation in that subsequent evaluation, even if the information concerns activities that occurred during the evaluation period addressed in this performance evaluation.

State Rating

State of Kansas

CRA rating for the State of Kansas¹: Satisfactory

The Lending Test is rated: Satisfactory

The Community Development Test is rated: Satisfactory

The major factors that support this rating include:

- The bank exhibits excellent geographic distribution of loans in the AAs.
- The bank exhibits a reasonable distribution of loans to individuals of different income levels.
- The bank's community development performance demonstrates an adequate responsiveness to the community development needs of the AAs.

Description of Institution's Operations in Kansas

FNB is a full-service bank offering a broad range of commercial, real estate, and consumer loan products, as well as a variety of deposit products. The bank's lending focus includes residential real estate, consumer loans, commercial, and agricultural loans. The bank continues to originate and sell residential real estate loans into the Federal Home Loan Bank (FHLB) Mortgage Partnership Finance (MPF) program and utilizes the Homeownership Set-Aside Program. During the evaluation period, FNB originated 48 loans to First-Time Home Buyers totaling \$4.7 million. FNB made 11 home loans for \$988.5 thousand with the FHLB Home Ownership Set-Aside Program where low- and moderate-income first-time homebuyers receive down payment, closing cost, and repair assistance.

FNB closed two branches, one in Hutchinson and one in Mount Hope. FNB has significant competition from both banks and credit unions for retail customers in the Reno AA. The bank continues to operate eight full-service locations and ten ATM's within the Reno and Sedgwick/Harvey AAs. A primary business focus includes FNB serving as a correspondent bank to 42 community banks primarily in western Kansas.

The information provided by the community contacts was used to assess the bank's performance in meeting the AA's credit and CD needs. Examiners made one community contact in Reno County, Kansas. Examiners also considered information from two recent community contacts made by other regulatory agencies. Our community contact represents a non-profit organization that focuses on affordable housing, financial education, and individual empowerment toward stability and financial security. Housing initiatives include housing development, rental housing, home repair and rehabilitation. Completion of an online class allows for a savings account that receives matching funds, a class on home ownership and mortgage education, and coaching regarding finances. This savings account can be used to purchase or make repairs to a home. The contact noted performance of the local financial institutions is good, noting FNB is very active and provides most of the home mortgages and savings accounts for their organization's home buyers.

¹ This rating reflects performance within the state. The statewide evaluations do not reflect performance in the parts of those states contained within the MMSA.

Other recent contacts included a Reno County non-profit organization focusing on business retention and recruitment, promotion of the area attractions and events, and taking a leadership role in projects and initiatives dedicated to maintaining and improving the area's economy and quality of life. The contact stated there is a high commitment from banks in the area. The community contact for Sedgwick County also represented a non-profit organization and focuses on affordable housing, including home repair. Our contacts stated there are periodic opportunities to participate in community development projects and to provide funding for home purchases, noting local financial institution participation is good.

Reno AA

Table A – Demographic Information of the Reno County Assessment Area

Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	17	0.0	23.5	58.8	17.6	0.0
Population by Geography	64,058	0.0	27.7	47.8	24.5	0.0
Housing Units by Geography	28,274	0.0	26.9	49.9	23.2	0.0
Owner-Occupied Units by Geography	16,855	0.0	22.5	47.7	29.8	0.0
Occupied Rental Units by Geography	8,242	0.0	34.7	49.9	15.4	0.0
Vacant Units by Geography	3,177	0.0	29.8	61.3	9.0	0.0
Businesses by Geography	3,187	0.0	19.4	59.7	20.9	0.0
Farms by Geography	323	0.0	6.2	78.6	15.2	0.0
Family Distribution by Income Level	16,342	17.1	20.7	22.8	39.4	0.0
Household Distribution by Income Level	25,097	21.5	16.7	20.3	41.5	0.0
Median Family Income Non-MSAs – GA		\$56,877	Median Housing Value			\$93,945
			Median Gross Rent			\$662
			Families Below Poverty Level			8.4%

*Source: 2015 U.S. Census and 2018 D&B Data
Due to rounding, totals may not equal 100.0
(* The NA category consists of geographies that have not been assigned an income classification.*

The Reno AA consists of 17 tracts in Reno County. As of 2016, there were no low-, seven moderate-, eight middle-, and two upper-income census tracts. In 2017-2018, the AA reflected no low-, four moderate-, ten middle-, and three upper-income census tracts. The main bank, five branches, and seven ATM's are in the AA. There are no distressed or undeserved tracts within the Reno AA.

According to the 2015 ACS U.S. Census, in 2018 the population of the AA is 64,058 and the median family income is \$56,877. Of the 28,274 households in the AA, approximately 36 percent receive social security; 18 percent are retired; and 12 percent are below the poverty level. Nearly 18 percent of the population is over age 65, and 38 percent of the population consists of civilians not in the workforce. The median housing value is \$93,945 and 60 percent of the housing units are owner-occupied units. The income distribution for families within the AA is 17 percent low-income; 21 percent moderate-income; 23 percent middle-income; and 39 percent upper-income.

The Hutchinson economy is diverse and offers various employment opportunities. Major employers include Hutchinson Regional Healthcare Systems, Dillon's Corporation, Unified School District 309, Hutchinson Community College, Hutchinson Clinic, Tyson Prepared Foods, and Hutchinson Correctional Facility. The October 31, 2019 unemployment rate for Reno County is 2.9 percent. This is in line with the Kansas unemployment rate of 3.1 percent and the national rate of 3.6 percent.

Scope of Evaluation in Kansas

Examiners performed a full-scope review of the Reno AA. The Reno AA represented the majority of the lending and deposit activity during the evaluation period. The Sedgwick/Harvey AA received a limited-scope review. Refer to the table in Appendix A for a list of AAs reviewed.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN KANSAS

LENDING TEST

The bank's performance under the Lending Test in Kansas is rated Satisfactory.

Based on full- and limited-scope reviews, the bank's lending performance in the state of Kansas is reasonable.

Distribution of Loans by Income Level of the Geography

The bank exhibits excellent geographic distribution of loans in the state. No unexplained, conspicuous gaps were identified.

Reno AA

Home Mortgage Loans

Refer to Table O in Appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations and purchases.

FNB demonstrated excellent distribution of home mortgage loans to borrowers located in moderate-income tracts. The AA did not have any low-income tracts in either evaluation period.

FNB exhibited reasonable distribution in 2016 with 22 percent of home mortgage loans made to borrowers located in moderate-income tracts. FNB's performance falls below the demographic data showing 37.5 percent of owner-occupied housing units in moderate-income tracts. The bank also performed below aggregate data which indicated 36.4 percent of home mortgage loans were to borrowers located in moderate-income tracts.

FNB exhibited excellent distribution in 2017-2018 with 23.5 percent of home mortgage loans made to borrowers located in moderate-income tracts. This exceeded demographic data showing 22.5 percent of owner-occupied housing units in moderate-income tracts while aggregate data indicates 22.1 percent of home mortgage loans were to borrowers located in moderate-income tracts.

Consumer Loans

Refer to Table U in Appendix D for the facts and data used to evaluate the geographic distribution of the bank's consumer loan originations and purchases.

FNB demonstrated reasonable distribution of consumer loans to borrowers located in moderate-income tracts. The AA did not include any low-income tracts in either evaluation period.

FNB exhibited excellent distribution in 2016 with 45 percent of consumer loans made to borrowers located in moderate-income tracts. This exceeds demographics data showing 42.5 percent of households are in moderate-income tracts. FNB exhibited reasonable distribution in 2017-2018 with 15 percent of consumer loans made to borrowers located in moderate-income tracts compared to demographic data showing 26.5 percent of households are in moderate-income tracts. While performance was lower than demographics, there were seven moderate-income census tracts in the Reno AA in 2016 while there were only four moderate-income tracts in 2017-2018 making the opportunity to lend to moderate-income households more difficult. The reduction in moderate-income tracts reduced the number of households significantly. Households in the moderate-income tracts decreased from 42.5 percent in 2016 to 26.5 percent in 2017-2018.

Distribution of Loans by Income Level of the Borrower

The bank exhibits a reasonable distribution of loans to individuals of different income levels.

Home Mortgage Loans

Refer to Table P in Appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

FNB demonstrated reasonable distribution of home mortgage loans to low- and moderate-income borrowers.

The distribution of home mortgage loans to low-income families is reasonable. FNB originated 6 percent of home mortgage loans to low-income borrowers in 2016 compared to demographics of 20.4 percent of families; however, aggregate data indicates 6.6 percent of home mortgage loans were to low-income borrowers. FNB originated 9.5 percent of home mortgage loans to low-income borrowers in 2017-2018, in comparison to demographics of 17.1 percent and aggregate data of 8.7 percent of families.

The distribution of home mortgage loans to moderate-income families is reasonable. FNB originated 12 percent of home mortgage loans to moderate-income families in 2016 compared to demographics of 19.9 percent and aggregate data of 16.4 percent. FNB originated 14 percent of home mortgage loans to

moderate-income families in 2017-2018 compared to demographics of 20.7 percent and aggregate data of 18.9 percent of families.

Consumer Loans

Refer to Table V in Appendix D for the facts and data used to evaluate the borrower distribution of the bank's consumer loan originations and purchases.

FNB demonstrated reasonable distribution of consumer loans to low- and moderate-income borrowers.

The distribution of consumer loans to low-income families is reasonable. Lending in both evaluation periods is below demographics. FNB originated 15 percent of consumer loans to low-income families in 2016 compared with demographics of 21.4 percent of families. In 2017-2018 FNB originated 5 percent of consumer loans to low-income families compared with demographics of 21.5 percent.

The distribution of consumer loans to moderate-income families is reasonable. FNB originated 20 percent of consumer loans to moderate-income families in 2016 compared with demographics of 18.6 percent. In 2017-2018 FNB originated 10 percent of consumer loans to moderate-income families in comparison to demographics of 16.7 percent of families. Lending to moderate-income families falls below demographics in 2017-2018 and is reasonable given increased competition for auto loans at lower rates. Bank personnel indicated other institutions in the market have been offering significantly lower rates on auto loans making the opportunity to lend for auto loans more difficult.

Responses to Complaints

There were no CRA related complaints received during the evaluation period.

Conclusions for Area Receiving Limited Scope Review

Based on a limited-scope review, the bank's performance under the Lending Test in the Sedgwick/Harvey AA is consistent the bank's overall performance under the Lending Test in the full scope area(s).

COMMUNITY DEVELOPMENT TEST

The bank's performance under the Community Development Test in the state of Kansas is rated Satisfactory.

Based on full-scope and limited-scope reviews, FNB exhibits adequate responsiveness to community development needs in the AAs through community development loans, qualified investments, and community development services, as appropriate, considering the bank's capacity and the need and availability of such opportunities for community development in the bank's AAs.

Number and Amount of Community Development Loans

Refer to the tables below for the facts and data used to evaluate the bank's level of CD lending. These tables include all CD loans, including multifamily loans that also qualify as CD loans.

Reno AA

CD loans demonstrated excellent responsiveness to CD needs and opportunities in the AA during the evaluation period. Management originated 11 CD loans totaling \$6.4 million in the AA during the evaluation period. All loans provide support for economic development, affordable housing or services to low- and moderate-income individuals in the AA.

Below are notable examples of the bank's community development loans:

- A line of credit for \$300 thousand to a non-profit federally qualified health center who provides medical services to the insured and uninsured.
- Five loans totaling \$1.2 million to a community housing development organization that provides emergency and transitional housing for sober living, and moderate-income housing.
- Three loans totaling \$4.5 million for affordable housing for low- and moderate-income individuals (LMI). The housing units include those for disabled tenants and elderly tenants.

Statewide or Regional Community Development Loans

One loan was made during the evaluation period in the statewide or regional area that could have an impact on the bank's AA's. The loan totaled \$84 thousand through a community development corporation that conducts business primarily in the Southeastern part of the State of Kansas.

Community Development Loans		
Assessment Area	Number	Dollar (000's)
Reno	11	6,437
Sedgwick/Harvey	0	0
Statewide with no Purpose, Mandate, or Function	1	84

Number and Amount of Qualified Investments

CD investments demonstrated adequate responsiveness to CD needs and opportunities in the AA during the evaluation period. The bank presented no prior period investments in the AA for consideration. Management made 32 qualified donations and investments totaling \$833 thousand to nine organizations in the AA during the evaluation period. Donations supported organizations who provide community services primarily to LMI individuals or those that support small businesses.

CD qualified investments totaled \$833 thousand. Examples of Qualified Investments provided by the bank include:

- Investments in an affordable housing organization which assists low-income homeowners make repairs/rehabilitate their homes and provides down payment grants to LMI individuals.
- Provided funding to local food pantry that primarily serves LMI individuals.

- Funded scholarships that primarily serve LMI students to attend higher education.

Statewide or Regional Community Investments

FNB management provided community development investments and loans that were statewide or regional that could impact each of the banks AA's. FNB provided \$55 thousand in prior period investments that are primarily in a regional syndicator of federal low-income housing tax credits.

Qualified Investments										
Assessment Area	Prior Period*		Current Period		Total				Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	% of Total #	\$(000's)	% of Total \$	#	\$(000's)
Reno	0	0	32	833	32	94	833	94	0	0
Sedgwick/Harvey	0	0	0	0	0	0	0	0	0	0
Statewide with no Purpose, Mandate, or Function	2	55	0	0	2	6	55	6	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.

Extent to Which the Bank Provides Community Development Services

FNB's record of providing CD services in the Reno AA is adequate. Six employees provided service to six qualified CD organizations or programs during the evaluation period. The bank reported over 370 hours of employee service.

Bank employees provided financial service to several area organizations that provide community services to LMI individuals and small businesses. Examples of CD services provided by bank staff include:

- First time homebuyer education classes were provided through an organization that provides affordable housing and education for LMI individuals.
- FNB provided Individual Development Accounts in conjunction with a community service organization for the primary purpose to save for a home purchase or education for LMI individuals.
- Provided financial education to every school in the USD 308 system with more than 50 percent of students eligible for the free and reduced lunch program. Ten schools in the district have more than 50 percent of students eligible for the free and reduced lunch program.

* 'Prior Period Investments' means investments made in a previous evaluation period that are outstanding as of the examination date.

Conclusions for Area Receiving a Limited Scope Review

Based on a limited-scope review, the bank's performance under the CD Test in the Sedgwick/Harvey AA is weaker than the bank's overall performance under the CD Test in the full-scope area. There were no community development loans, investments, donations or any services provided to the community in this AA. Sedgwick/Harvey has many needs that have been identified.

Appendix A: Scope of Examination

The following table identifies the time period covered in this evaluation, affiliate activities that were reviewed, and loan products considered. The table also reflects the MSA(s) and non-MSA(s) that received comprehensive examination review, designated by the term “full-scope,” and those that received a less comprehensive review, designated by the term “limited-scope”.

Time Period Reviewed:	July 1, 2016 to December 31, 2018 (Loans) October 12, 2016 to December 31, 2018 (CD activities)	
Bank Products Reviewed:	Home mortgage Consumer loans CD loans, CD investments, CD services	
Affiliate(s)	Affiliate Relationship	Products Reviewed
Not Applicable		
List of Assessment Areas and Type of Examination		
Rating and Assessment Areas	Type of Exam	Other Information
State of Kansas		
Reno AA	Full-scope	Consists of all tracts in Reno County.
Sedgwick/Harvey AA	Limited-scope	Consists of 24 tracts in Wichita MSA

Appendix B: Summary of MMSA and State Ratings

RATINGS: The First National Bank of Hutchinson			
Overall Bank:	Lending Test Rating*	CD Test Rating	Overall Bank/State/Multistate Rating
FNB Hutchinson	Satisfactory	Satisfactory	Satisfactory

(*) The Lending Test and Community Development Test carry equal weight in the overall rating.

Appendix C: Definitions and Common Abbreviations

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

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

Aggregate Lending (Aggt.): The number of loans originated and purchased by all reporting lenders (HMDA or CRA) in specified income categories as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the state/assessment area.

Census Tract (CT): A small, relatively permanent statistical subdivision of a county delineated by a local committee of census data users for the purpose of presenting data. Census tracts nest within counties, and their boundaries normally follow visible features, but may follow legal geography boundaries and other non-visible features in some instances, Census tracts ideally contain about 4,000 people and 1,600 housing units.

Combined Statistical Area (CSA): A geographic entity consisting of two or more adjacent Core Based Statistical Areas with employment interchange measures of at least 15. An employment interchange measure is a measure of ties between two adjacent entities. The employment interchange measure is the sum of the percentage of workers living in the smaller entity who work in the larger entity and the percentage of employment in the smaller entity that is accounted for by workers who reside in the larger entity.

Community Development (CD): Affordable housing (including multifamily rental housing) for low- or moderate-income individuals; community services targeted to low- or moderate-income individuals; activities that promote economic development by financing businesses or farms that meet Small Business Administration Development Company or Small Business Investment Company programs size eligibility standards or have gross annual revenues of \$1 million or less; or activities that revitalize or stabilize low- or moderate-income geographies, distressed or underserved nonmetropolitan middle-income geographies, or designated disaster areas.

Community Reinvestment Act (CRA): The statute that requires the OCC to evaluate a bank's record of meeting the credit needs of its entire community, including LMI areas, consistent with the safe and sound operation of the bank, and to take this record into account when evaluating certain corporate applications filed by the bank.

Consumer Loan(s): A loan(s) to one or more individuals for household, family, or other personal expenditures. A consumer loan does not include a home mortgage, small business, or small farm loan. This definition includes the following categories: motor vehicle loans, credit card loans, other secured consumer loans, and other unsecured consumer loans.

Family: Includes a householder and one or more other persons living in the same household who are related to the householder by birth, marriage, or adoption. The number of family households always equals the number of families; however, a family household may also include non-relatives living with the family. Families are classified by type as either a married-couple family or other family, which is further classified into ‘male householder’ (a family with a male householder and no wife present) or ‘female householder’ (a family with a female householder and no husband present).

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

Geography: A census tract delineated by the United States Bureau of the Census in the most recent decennial census.

Home Mortgage Disclosure Act (HMDA): The statute that requires certain mortgage lenders that conduct business or have banking offices in a metropolitan statistical area to file annual summary reports of their mortgage lending activity. The reports include such data as the race, gender, and the income of applicants, the amount of loan requested, the disposition of the application (e.g., approved, denied, and withdrawn), the lien status of the collateral, any requests for preapproval, and loans for manufactured housing.

Home Mortgage Loans: A closed-end mortgage loan or an open-end line of credit as these terms are defined under 12 CFR 1003.2, and that is not an excluded transaction under 12 CFR 1003.3(c)(1) through (c)(10) and (c)(13).

Household: Includes all persons occupying a housing unit. Persons not living in households are classified as living in group quarters. In 100 percent tabulations, the count of households always equals the count of occupied housing units.

Limited-Scope Review: Performance under the Lending, Investment, and Service Tests is analyzed using only quantitative factors (e.g., geographic distribution, borrower distribution, total number and dollar amount of investments, and branch distribution).

Low-Income Individual: Individual income that is less than 50 percent of the area median income.

Low Income Geography: A census tract with a median family income that is less than 50 percent.

Market Share: The number of loans originated and purchased by the institution as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the state/assessment area.

Median Family Income (MFI): The median income determined by the U.S. Census Bureau every five years and used to determine the income level category of geographies. The median is the point at which half of the families have income above, and half below, a range of incomes. Also, the median income determined by the Federal Financial Institutions Examination Council (FFIEC) annually that is used to determine the income level category of individuals. For any given area, the median is the point at which half of the families have income above, and half below, a range of incomes.

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

Metropolitan Statistical Area: An area, defined by the Office of Management and Budget, as a core based statistical area associated with at least one urbanized area that has a population of at least 50,000. The Metropolitan Statistical Area comprises the central county or counties containing the core, plus adjacent outlying counties having a high degree of social and economic integration with the central county or counties as measured through commuting.

Middle-Income: Individual income that is at least 80 percent and less than 120 percent of the area median income, or a median family income that is at least 80 percent and less than 120 percent, in the case of a geography

Moderate-Income: Individual income that is at least 50 percent and less than 80 percent of the area median income, or a median family income that is at least 50 percent and less than 80 percent, in the case of a geography.

Multifamily: Refers to a residential structure that contains five or more units.

Owner-Occupied Units: Includes units occupied by the owner or co-owner, even if the unit has not been fully paid for or is mortgaged.

Qualified Investment: A qualified investment is defined as any lawful investment, deposit, membership share, or grant that has as its primary purpose community development.

Rating Area: A rated area is a state or multi-state metropolitan statistical area. For an institution with domestic branches in only one state, the institution's CRA rating would be the state rating. If an institution maintains domestic branches in more than one state, the institution will receive a rating for each state in which those branches are located. If an institution maintains domestic branches in two or more states within a multi-state metropolitan statistical area, the institution will receive a rating for the multi-state metropolitan statistical area.

Small Loan(s) to Business(es): A loan included in 'loans to small businesses' as defined in the Consolidated Report of Condition and Income (Call Report) instructions. These loans have original amounts of \$1 million or less and typically are either secured by nonfarm or nonresidential real estate or are classified as commercial and industrial loans.

Small Loan(s) to Farm(s): A loan included in 'loans to small farms' as defined in the instructions for preparation of the Consolidated Report of Condition and Income (Call Report). These loans have original amounts of \$500,000 or less and are either secured by farmland, or are classified as loans to finance agricultural production and other loans to farmers.

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

Upper-Income: Individual income that is at least 120 percent of the area median income, or a median family income that is at least 120 percent, in the case of a geography.

Appendix D: Tables of Performance Data

Content of Standardized Tables

A separate set of tables is provided for each state. All multistate metropolitan statistical areas, if applicable, are presented in one set of tables. References to the “bank” include activities of any affiliates that the bank provided for consideration (refer to Appendix A: Scope of the Examination). For purposes of reviewing the Lending Test tables, the following are applicable: (1) purchased are treated as originations; and (2) “aggregate” is the percentage of the aggregate number of reportable loans originated and purchased by all HMDA or CRA-reporting lenders in the MMSA/assessment area. Deposit data are compiled by the FDIC and are available as of June 30th of each year. Tables without data are not included in this PE.

The following is a listing and brief description of the tables included in each set:

- Table O. Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography** - 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 aggregate peer data for the years the data is available.
- Table P. Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower** - 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 MMSA/assessment area. The table also presents aggregate peer data for the years the data is available.
- Table Q. Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography** - The percentage distribution of the number of small loans (less than or equal to \$1 million) to businesses that were 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) in those geographies. Because aggregate small business data are not available for geographic areas smaller than counties, it may be necessary to compare bank loan data to aggregate data from geographic areas larger than the bank’s assessment area.
- Table R. Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenue** - Compares the percentage distribution of the number of small loans (loans less than or equal to \$1 million) originated and purchased by the bank to businesses with revenues of \$1 million or less to: 1) the percentage distribution of businesses with revenues of greater than \$1 million; and, 2) the percentage distribution of businesses for which revenues are not available. The table also presents aggregate peer small business data for the years the data is available.
- Table S. Assessment Area Distribution of Loans to Farms by Income Category of the Geography** - The percentage distribution of the number of small loans (less than or equal to \$500,000) to farms originated and purchased by the bank in low-, moderate-, middle-,

and upper-income geographies compared to the percentage distribution of farms (regardless of revenue size) throughout those geographies. The table also presents aggregate peer data for the years the data is available. Because aggregate small farm data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank's assessment area.

- Table T. Assessment Area Distribution of Loans to Farms by Gross Annual Revenues -** Compares the percentage distribution of the number of small loans (loans less than or equal to \$500 thousand) originated and purchased by the bank to farms with revenues of \$1 million or less to: 1) the percentage distribution of farms with revenues of greater than \$1 million; and, 2) the percentage distribution of farms for which revenues are not available. The table also presents aggregate peer small farm data for the years the data is available.
- Table U. Assessment Area Distribution of Consumer Loans by Income Category of the Geography -** 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 in those geographies.
- Table V. Assessment Area Distribution of Consumer Loans by Income Category of the Borrower -** 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 households by income level in each MMSA/assessment area.

Table O: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography																				2016
Assessment Area:	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts			
	#	\$	% of Total	Overall Market	% of Owner-Occupied Housing Units	% Bank Loans	Aggt	% of Owner-Occupied Housing Units	% Bank Loans	Aggrt	% of Owner-Occupied Housing Units	% Bank Loans	Aggt	% of Owner-Occupied Housing Units	% Bank Loans	Aggt	% of Owner-Occupied Housing Units	% Bank Loans	Aggt	
Reno	50	9,771	65.8	1,611	0.0	0.0	0.0	37.5	22.0	36.4	42.3	22.0	36.8	20.2	56.0	26.8	0.0	0.0	0.0	
Sedgwick/Harvey	26	3,602	34.2	5,488	0.0	0.0	0.0	2.9	0.0	2.1	25.2	19.2	21.0	71.9	80.8	76.8	0.0	0.0	0.0	
Total	76	13,373	100	7,099	0.0	0.0	0.0	15.0	14.5	9.9	31.2	21.1	24.6	53.8	64.5	65.5	0.0	0.0	0.0	

*Source: 2010 U.S Census; 07—01/2016 - 12/31/2016 Bank Data, 2016 HMDA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0*

Table O : Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography																				2017-2018
Assessment Area:	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts			
	#	\$	% of Total	Overall Market	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	
Reno	221	26,064	82.5	1,206	0.0	0.0	0.0	22.5	23.5	22.1	47.7	35.7	45.5	29.8	40.7	32.3	0.0	0.0	0.0	
Sedgwick/Harvey	47	5,601	17.5	4,585	0.0	0.0	0.0	0.0	0.0	0.0	30.4	29.8	28.5	69.6	70.2	71.5	0.0	0.0	0.0	
Total	268	31,665	100.0	5,791	0.0	0.0	0.0	7.4	19.4	4.6	36.1	34.7	32.1	56.5	45.9	63.3	0.0	0.0	0.0	

*Source: 2015 ACS Census; 01/01/2017 - 12/31/2018 Bank Data, 2018 HMDA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0*

Table P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower																			2016
	Total Home Mortgage Loans				Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers		
Assessment Area:	#	\$	% of Total	Overall Market	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate
Reno	50	9,771	65.8	1,611	20.4	6.0	6.6	19.9	12.0	16.4	22.9	10.0	18.9	36.8	56.0	35.8	0.0	16.0	22.3
Sedgwick/Harvey	26	3,602	34.2	5,488	10.2	3.8	3.4	12.7	15.4	14.0	20.5	3.8	22.7	56.6	69.2	40.0	0.0	7.7	19.8
Total	76	13,373	100.0	7,099	13.7	5.3	4.2	15.2	13.2	14.6	21.3	7.9	21.8	49.7	60.5	39.1	0.0	13.2	20.4

*Source: 2010 U.S. Census ; 07/01/2016 - 12/31/2016 Bank Data, 2016 HMDA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0*

Table P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower																			2017-2018
	Total Home Mortgage Loans				Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers		
Assessment Area:	#	\$	% of Total	Overall Market	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate
Reno	221	26,064	82.5	1,206	17.1	9.5	8.7	20.7	14.0	18.9	22.8	19.5	22.4	39.4	49.3	30.8	0.0	7.7	19.2
Sedgwick/Harvey	47	5,601	17.5	4,585	9.3	8.5	4.3	13.6	25.5	16.8	21.7	31.9	23.7	55.5	34.0	39.5	0.0	0.0	15.8
Total	268	31,665	100.0	5,791	12.0	9.3	5.2	16.0	16.0	17.2	22.0	21.6	23.4	50.1	46.6	37.7	0.0	6.3	16.5

*Source: 2015 ACS Census ; 01/01/2017 - 12/31/2018 Bank Data, 2018 HMDA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0*

Table U: Assessment Area Distribution of Consumer Loans by Income Category of the Geography														2016
Assessment Area:	Total Consumer Loans			Low-Income Tracts		Moderate-Income Tracts		Middle-Income Tracts		Upper-Income Tracts		Not Available-Income Tracts		
	#	\$	% of Total	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	
Reno	20	205,129	53.84	0.0	0.0	42.5	45.0	39.8	30.0	17.7	25.0	0.0	0.0	
Sedgwick/Harvey	20	175,856	46.16	0.0	0.0	6.7	0.0	29.6	35.00	63.7	65.00	0.0	0.0	
Total	40	380,985	100.0	0.0	0.0	20.1	22.5	33.4	32.5	46.4	45.0	0.0	0.0	

*Source: 2010 U.S. Census; 07/01/2016 - 12/31/2016 Bank Data.
Due to rounding, totals may not equal 100.0*

Table U: Assessment Area Distribution of Consumer Loans by Income Category of the Geography														2017-2018
Assessment Area:	Total Consumer Loans			Low-Income Tracts		Moderate-Income Tracts		Middle-Income Tracts		Upper-Income Tracts		Not Available-Income Tracts		
	#	\$	% of Total	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	
Reno	20	312,438	59.17	0.0	0.0	26.5	15.0	48.5	35.0	25.0	50.0	0.0	0.0	
Sedgwick/Harvey	20	215,573	40.83	0.0	0.0	0.0	0.0	37.6	20.0	62.4	80.0	0.0	0.0	
Total	40	528,011	100	0.0	0.0	9.7	7.5	41.6	22.5	48.7	65.95	0.0	0.0	

*Source: 2015 ACS Census; 01/01/2017 - 12/31/2018 Bank Data.
Due to rounding, totals may not equal 100.0*

Table V - Assessment Area Distribution of Consumer Loans by Income Category of the Borrower													2016	
Assessment Area:	Total Consumer Loans			Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Not Available-Income Borrowers		
	#	\$	% of Total	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	
Reno	20	201,129	52.79	21.4	15.0	18.6	20.0	21.0	10.0	38.9	45.0	0.0	10.0	
Sedgwick/Harvey	20	175,856	47.21	12.7	20.0	11.5	10.0	17.0	40.0	58.7	25.0	0.0	5.0	
Total	40	380,985	100.0	16.0	17.5	14.2	15.0	18.5	25.0	51.3	35.0	0.0	7.5	

Source: 2010 U.S Census; 07/01/2016 - 12/31/2016 Bank Data.
Due to rounding, totals may not equal 100.0

Table V - Assessment Area Distribution of Consumer Loans by Income Category of the Borrower													2017-2018	
Assessment Area:	Total Consumer Loans			Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Not Available-Income Borrowers		
	#	\$	% of Total	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	
Reno	20	312,438	59.17	21.5	5.00	16.7	10.0	20.3	15.0	41.5	65.00	0.0	5.00	
Sedgwick/Harvey	20	215,573	40.83	12.1	15.00	11.9	5.00	17.3	30.0	58.7	50.0	0.0	0.0	
Total	40	528,011	100	15.6	10	13.7	7.5	18.4	22.5	52.4	57.5	0.0	2.5	

Source: 2015 ACS Census; 01/01/2017 - 12/31/2018 Bank Data.
Due to rounding, totals may not equal 100.0