



## **PUBLIC DISCLOSURE**

**January 21, 2020**

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

**The First National Bank**  
Charter Number 7379

511 Lake Land Boulevard  
Mattoon, Illinois 61938

Office of the Comptroller of the Currency

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

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

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## Overall CRA Rating

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

**The lending test is rated:** Satisfactory.

The major factors that support this rating include:

- The Lending Test rating is based on the State of Illinois rating, which is Satisfactory.
- The bank exhibits reasonable geographic distribution of loans in the assessment area (AA).
- The bank exhibits reasonable distribution of loans to borrowers of different incomes and businesses of difference sizes, given the product lines offered by the bank.
- A majority of the bank's loans were originated inside its AA.
- The loan-to-deposit (LTD) ratio is reasonable.

### Loan-to-Deposit Ratio

Considering the bank's size, financial condition, and credit needs of the AA, The First National Bank's (TFNB or bank) LTD ratio was reasonable. TFNB's LTD ratio averaged 66.9 percent over the past 20 quarters. The timeframe used for this calculation represents the first quarter-end after the start of the last CRA evaluation through December 31, 2019.

Over the past 20 quarters, the bank's LTD ratio ranged from a low of 63.0 percent to a high of 69.9 percent. The LTD ratio at December 31, 2019, was 69.9 percent. The bank's average LTD ratio was similar to the average of similarly situated banks in the AA. We reviewed the LTD ratios for banks with total assets between \$72.0 and \$111.0 million headquartered in Coles, Douglas, and Moultrie Counties. This group of similarly situated banks averaged an LTD ratio of 58.7 percent. One of the banks reviewed had a very low LTD average of 17.8 percent. As this bank is an outlier, we also calculated the LTD ratio excluding it. The adjusted LTD ratio for similarly situated banks is 69.0 percent. TFNB's LTD ratio ranks third out of the four banks in the analysis.

Bank management also sells long-term fixed-rate home loans into the secondary market through the Federal Home Loan Bank's Mortgage Partnership Finance program. Between 2017 and 2019, the bank sold 77 home loans (\$7.7 million) into the secondary market. This supports management's efforts to provide access to home loans. As these loans are not on the bank's books, they do not increase the loan-to-deposit ratio.

### Lending in Assessment Area

A majority of the bank's loans are originated inside its AA. The bank originated and purchased 80.0 percent of its loans inside the bank's AA during the evaluation period. This analysis was performed at the bank, rather than the AA, level.

| Table D - Lending Inside and Outside of the Assessment Area |                 |      |         |      |            |                                 |      |           |      |                   |
|---|-----------------|------|---------|------|------------|---------------------------------|------|-----------|------|-------------------|
| Loan Category   | Number of Loans |      |         |      | Total<br># | Dollar Amount of Loans \$(000s) |      |           |      | Total<br>\$(‘000) |
|   | Inside          |      | Outside |      |            | Inside                          |      | Outside   |      |                   |
|   | #               | %    | #       | %    |            | \$ (‘000)                       | %    | \$ (‘000) | %    |                   |
| Consumer Loans  | 19              | 95.0 | 1       | 5.0  | 20         | 106                             | 84.9 | 19        | 15.1 | 125               |
| Business Loans  | 13              | 65.0 | 7       | 35.0 | 20         | 1,866                           | 55.9 | 1,475     | 44.1 | 3,341             |
| Total   | 32              | 80.0 | 8       | 20.0 | 40         | 1,972                           | 56.9 | 1,494     | 43.1 | 3,466             |

*Source: Sample of 20 consumer and 20 business loans originated between January 1, 2017 and December 31, 2019.*

## Description of Institution

TFNB is a \$91.4 million intrastate financial institution headquartered in Mattoon, Illinois (IL). The bank is wholly owned by MGB Bancshares, Inc, a one-bank holding company.

TFNB has one AA that includes all of Coles County in IL. In December 2015, TFNB acquired a branch in Lerna, IL. In April 2017 the bank relocated its branch on the east side of Mattoon from a convenience store to an adjacent building. The bank has deposit-taking ATMs located at all three branches. The bank has not closed any branches during the evaluation period. In addition to its branch network, TFNB’s delivery channels include Internet and mobile banking. TFNB offers conventional deposit and loan products, as well as fiduciary asset management services. The bank also offers investment products through Securities America Inc.

As of December 31, 2019, the bank’s loan portfolio totaled \$54.3 million, or 59.6 percent of total assets. Tier 1 capital was \$8.8 million. The following table represents the loan portfolio mix:

| Loan Portfolio Summary by Loan Product           |                          |
|--|--------------------------|
| Loan Category                                    | % of Outstanding Dollars |
| Business Loans, including Commercial Real Estate | 69.2                     |
| Home Loans                                       | 22.8                     |
| Consumer loans                                   | 6.3                      |
| Farm Loans, including farmland                   | 1.7                      |

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

TFNB’s business strategy is to build a strong and profitable bank with core community deposits and loan those funds back into the community for the community betterment. There are no known financial impediments limiting the bank’s ability to help meet the credit needs of its local community, including low- and moderate-income (LMI) families and neighborhoods. TFNB received an “Outstanding” rating during the January 16, 2015 evaluation, under the small bank evaluation procedures.

## Scope of the Evaluation

### Evaluation Period/Products Evaluated

We evaluated TFNB's CRA performance using small bank evaluation procedures. We reviewed the bank's record of meeting the credit needs of its AA through lending activities. The evaluation period for this review was from January 1, 2017, to December 31, 2019.

Based on both the number and dollar volume of loan origination data supplied by the bank, TFNB's primary lending products were consumer loans and business loans. Consumer loans represented 55.8 percent of the number and 9.3 percent of the dollar amount of originations. Business loans represented 24.5 percent of the number and 67.4 percent of the dollar amount of originations. We sampled consumer and business loans for this evaluation.

For analysis purposes, we compared the bank's lending performance with demographic data from the 2015 American Community Survey (ACS) U.S. Census, 2019 Dun and Bradstreet (D&B) Data, and 2018 peer small business data reported under CRA. No affiliate activity was included in this analysis. Refer to the table in Appendix A for more information on the scope of the review.

### Selection of Areas for Full-Scope Review

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

### Ratings

The bank's overall rating is based on the State of Illinois rating. The State of Illinois rating is based on the AA full-scope review. Refer to the "Scope" section under the state rating section for details of how the areas and loan products were weighted in arriving at the respective ratings.

This analysis placed the most weight on the distribution of income analysis. LMI households represent 47.6 percent of the AA's households and small businesses represent 77.9 percent of the AA's businesses; while the two moderate-income CTs represent 16.7 percent of the AA's CTs.

## Discriminatory or Other Illegal Credit Practices Review

Pursuant to 12 CFR 25.28(c) or 195.28(c), respectively, in determining a national bank's or federal savings association's (collectively, bank) CRA rating, the OCC considers evidence of discriminatory or other illegal credit practices in any geography by the bank, or in any AA by an affiliate whose loans have been considered as part of the bank's lending performance. As part of this evaluation process, the OCC consults with other federal agencies with responsibility for compliance with the relevant laws and regulations, including the U.S. Department of Justice, the U.S. Department of Housing and Urban Development, and the Bureau of Consumer Financial Protection, as applicable. The OCC has not identified that this institution has engaged in discriminatory or other illegal credit practices that require consideration in this evaluation.

The OCC will consider any information that this institution engaged in discriminatory or other illegal

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

## State Rating

### State of Illinois

**CRA rating for the State of Illinois: Satisfactory.**

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

The major factors that supports this rating includes:

- The bank exhibits reasonable geographic distribution of loans in the AA.
- The bank exhibits reasonable distribution of loans to borrowers of different incomes and businesses of difference sizes, given the product lines offered by the bank.

### Description of Institution's Operations in Illinois

TFNB has one AA within the State of Illinois rating area. The bank operates three branches in the State of Illinois. The bank opened one branch and relocated one branch in the AA since the last CRA performance evaluation. TFNB did not close any branches in the state, during the evaluation period. We noted that the bank's Mattoon headquarters (Lake Land Banking Center) was in a distressed middle-income CT in 2017 due to poverty levels. Coles County middle-income census tracts were no longer considered distressed in 2018. TFNB continued to receive credit for activities in the distressed middle-income census tracts until June 1, 2019. The relocated branch in Mattoon (Broadway Banking Center) is still located in a moderate-income census tract. The Lerna branch was also located in a distressed-middle-income CT in 2015, when acquired, and in 2016. This census tract became an upper-income census tract in 2017 when 2015 ACS changes were implemented for census tract income designations

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

| <b>Assessment Area: Coles County</b>   |          |                       |                            |                          |                         |                       |
|--|----------|-----------------------|----------------------------|--------------------------|-------------------------|-----------------------|
| <b>Demographic Characteristics</b>     | <b>#</b> | <b>Low<br/>% of #</b> | <b>Moderate<br/>% of #</b> | <b>Middle<br/>% of #</b> | <b>Upper<br/>% of #</b> | <b>NA*<br/>% of #</b> |
| Geographies (Census Tracts)            | 12       | 0.0                   | 16.7                       | 58.3                     | 16.7                    | 8.3                   |
| Population by Geography                | 53,037   | 0.0                   | 17.2                       | 53.1                     | 20.0                    | 9.7                   |
| Housing Units by Geography             | 23,464   | 0.0                   | 19.7                       | 55.4                     | 20.2                    | 4.7                   |
| Owner-Occupied Units by Geography      | 13,070   | 0.0                   | 15.1                       | 57.1                     | 26.8                    | 1.0                   |
| Occupied Rental Units by Geography     | 7,993    | 0.0                   | 25.1                       | 53.6                     | 12.0                    | 9.2                   |
| Vacant Units by Geography              | 2,401    | 0.0                   | 25.9                       | 52.4                     | 11.9                    | 9.8                   |
| Businesses by Geography                | 2,905    | 0.0                   | 27.5                       | 52.8                     | 17.3                    | 2.4                   |
| Farms by Geography                     | 218      | 0.0                   | 9.2                        | 56.9                     | 33.5                    | 0.5                   |
| Family Distribution by Income Level    | 12,296   | 25.2                  | 17.8                       | 19.5                     | 37.5                    | 0.0                   |
| Household Distribution by Income Level | 21,063   | 30.5                  | 17.1                       | 16.2                     | 36.2                    | 0.0                   |

|  |          |                                |          |
|--|----------|--------------------------------|----------|
| Median Household Income Non-MSAs – IL  | \$41,950 | Median Housing Value           | \$97,605 |
|  |          | Median Gross Rent              | \$619    |
|  |          | Households Below Poverty Level | 20.4%    |
| <i>Source: 2015 ACS Census and 2019 D&amp;B Data<br/> Due to rounding, totals may not equal 100.0<br/> (*) The NA category consists of geographies that have not been assigned an income classification.</i> |          |                                |          |

The AA consists all of Coles County. Coles County is not part of an MSA. TFNB has three branches in the AA. The AA meets the requirements of the regulation and did not arbitrarily exclude any LMI CTs. There are no low-income CTs and two moderate-income CTs in the AA. Coles County had seven distressed middle-income CTs in 2017, representing 58.3 percent of AA CTs. One of these CTs changed to upper-income in 2018. The other six CTs were considered distressed until June 1, 2019.

### Competition

Competition in the AA for deposits is strong. As of June 30, 2019, TFNB's deposits in the AA totaled \$81.0 million, or 6.2 percent of the total market share. According to the FDIC Deposit Market Share Report, TFNB ranked 3 out of 12 deposit-taking institutions in the AA. The top institution for deposit market share in the AA was First Mid Bank and Trust, which accounted for 55.4 percent of deposits in the AA.

### Employment and Economic Factors

According to the Bureau of Labor Statistics, the unemployment rate in Coles County was 3.5 percent in December 2019. The state and national unemployment rates were 3.7 percent and 3.5 percent, respectively, in December 2019.

The leading industries in the area are education, health care, manufacturing, retail trade, and agriculture. The top employers are Sarah Bush Lincoln Health Center, Eastern Illinois University, Lake Land College, LSC Communications, Rural King, and local school districts. LSC Communications announced that the Mattoon location would be closing by July 2020.

Small businesses account for 77.9 percent of all business in the AA. An additional 16.8 percent of area businesses did not provide annual gross revenue. There are 798 businesses (27.5 percent) in the moderate-income CTs. Households in the moderate-income CTs total 3,990 or 18.9 percent.

### Community Contact

We performed one community contact and reviewed two recent community contacts. The contacts discussed economic development and affordable housing needs and opportunities in Coles County. Identified credit needs include small business loans, particularly for start-up companies, and support for affordable housing, including down payment and closing cost assistance programs.



## Scope of Evaluation in Illinois

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

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

## LENDING TEST

The bank's performance under the Lending Test in the State of Illinois is rated satisfactory. Based on the findings of this full-scope review, lending performance in the State of Illinois is reasonable. The geographic distribution of both business and consumer loans in the AA is reasonable. The distribution of small loans to businesses by revenue is excellent. The distribution of consumer loans by income level of the borrower is reasonable. This analysis placed the most weight on the distribution of income analysis for consumer loans.

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

The bank exhibits reasonable geographic distribution of business and consumer loans in the State of Illinois. The bank's performance in distressed middle-income geographies in the AA raised the conclusion to reasonable. There were no unexplained conspicuous lending gaps noted.

Additionally, during the evaluation period, management renewed a \$2.4 million Irrevocable Standby Letter of Credit supporting an Illinois Housing Development Authority project. This project provides 81 affordable housing units for low-income senior citizens in the AA. The apartment building is located in a moderate-income CT.

#### *Small Loans to Businesses*

Based on the data in Table Q and the following performance context considerations, geographic distribution of the bank's originations and purchases of small loans to businesses in Illinois is reasonable.

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

Overall, the geographic distribution of small loans to businesses in the AA was reasonable. The bank's strong performance lending to businesses in distressed middle-income geographies raised the conclusion to reasonable. We noted that 24 loans (68.6 percent of the number of loans sampled) were originated in distressed middle-income CTs.

The distribution of TFNB's small loans to businesses in the moderate-income CTs was poor in the sample. The proportion of loans in moderate-income CTs was significantly lower than the percentage of businesses in those geographies and lower than the aggregate distribution of loans.

### ***Consumer Loans***

Based on the data in Table U and the following performance context considerations, geographic distribution of the bank's originations and purchases of consumer loans in Illinois is reasonable

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.

Overall, the geographic distribution of consumer loans in the AA was reasonable. The bank's strong performance lending in distressed middle-income geographies raised the conclusion to reasonable. We noted that 25 loans (71.4 percent of the number of loans sampled) were originated in distressed middle-income CTs.

The distribution of TFNB's consumer loans in the moderate-income CTs was poor in the sample. The proportion of loans in moderate-income CTs was significantly lower than the percentage of households in those geographies.

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

We reviewed summary reports and maps and analyzed TFNB's lending activity over the evaluation period to identify any gaps in the geographic distribution of loans. We did not identify any unexplained conspicuous gaps in lending.

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

The bank exhibits reasonable distribution of loans to borrowers of different incomes and businesses of difference sizes, given the product lines offered by the bank. The distribution of small loans to businesses by revenue was excellent. The distribution of consumer loans by income level of the borrower was reasonable. This analysis placed more weight on the bank's performance with consumer loans given the volume of originations.

### ***Small Loans to Businesses***

Based on the data in Table R and the following performance context considerations, the distribution of the bank's originations and purchases of small loans to businesses by revenue in Illinois is excellent. The bank's strong performance compared to the aggregate distribution of loans to small businesses raised the conclusion to excellent.

Refer to Table R in appendix D for the facts and data used to evaluate the borrower distribution of the bank's originations and purchases of small loans to businesses.

TFNB's distribution of small loans to businesses by revenue was excellent. The bank's proportion of loans was near to the percentage of small businesses in the AA, and significantly exceeded the aggregate distribution of loans to those businesses.

### ***Consumer Loans***

Based on the data in Table V and the following performance context considerations, the distribution

of the bank's originations and purchases of consumer loans by income level of the borrower in Illinois is reasonable.

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.

The overall distribution of consumer loans by income level of the borrower was reasonable. The distribution of loans to low-income borrowers was reasonable and the distribution of loans to moderate-income borrowers was excellent, considering performance context information and demographic comparators. This analysis placed more weight on lending to low-income borrowers given the significantly higher percentage of low-income households in the AA compared to moderate-income households.

In evaluating the borrower distribution of consumer loans, we noted the number of households with incomes below the poverty level was high at 20.4 percent. People living in poverty have a difficult time qualifying for loans.

The overall borrower distribution of consumer loans by income level of the borrower was reasonable. While the percentage of loans made to low-income borrowers was lower than the demographic comparator, this represents reasonable performance considering the information noted above. The percentage of loans made to moderate-income borrowers exceeded the demographic comparator.

### **Response to Complaints**

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

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

|  |                                   |                          |
|--|-----------------------------------|--------------------------|
| <b>Time Period Reviewed:</b>                     | (1/31/2017 to 12/31/2019)         |                          |
| <b>Bank Products Reviewed:</b>                   | Small Business and Consumer Loans |                          |
| <b>Affiliate(s)</b>                              | <b>Affiliate Relationship</b>     | <b>Products Reviewed</b> |
| None   |                                   |                          |
| List of Assessment Areas and Type of Examination |                                   |                          |
| <b>Rating and Assessment Areas</b>               | <b>Type of Exam</b>               | <b>Other Information</b> |
| <b>State of Illinois</b>                         |                                   |                          |
| Coles County AA                                  | Full-scope                        |                          |

## Appendix B: Summary of MMSA and State Ratings

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| Overall Bank:                 | Lending Test Rating |
|-------------------------------|---------------------|
| The First National Bank, N.A. | Satisfactory        |
| State:                        |                     |
| Illinois                      | Satisfactory        |
|                               |                     |

## Appendix C: Definitions and Common Abbreviations

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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

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### 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 30<sup>th</sup> 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 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 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.

| <b>Table Q: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography</b>  |                                 |         |            |                |                   |              |           |                        |              |           |                      |              |           |                     |              |           |                             |              |           | <b>2017-2019</b> |  |  |
|--|---------------------------------|---------|------------|----------------|-------------------|--------------|-----------|------------------------|--------------|-----------|----------------------|--------------|-----------|---------------------|--------------|-----------|-----------------------------|--------------|-----------|------------------|--|--|
| Assessment Area:   | Total Loans to Small Businesses |         |            |                | Low-Income Tracts |              |           | Moderate-Income Tracts |              |           | Middle-Income Tracts |              |           | Upper-Income Tracts |              |           | Not Available-Income Tracts |              |           |                  |  |  |
|  | #                               | \$ '000 | % of Total | Overall Market | % Businesses      | % Bank Loans | Aggregate | % Businesses           | % Bank Loans | Aggregate | % Businesses         | % Bank Loans | Aggregate | % Businesses        | % Bank Loans | Aggregate | % Businesses                | % Bank Loans | Aggregate |                  |  |  |
| Coles County   | 35                              | 3,792   | 100        | 560            | 0.0               | 0.0          | 0.0       | 27.5                   | 17.1         | 21.4      | 52.8                 | 74.3         | 51.4      | 17.3                | 8.6          | 23.9      | 2.4                         | 0.0          | 3.2       |                  |  |  |
| <i>Source: 2019 D&amp;B Data; 01/01/2017 - 12/31/2019 Bank Data; 2018 CRA Aggregate Data.<br/>                     Due to rounding, totals may not equal 100.0</i> |                                 |         |            |                |                   |              |           |                        |              |           |                      |              |           |                     |              |           |                             |              |           |                  |  |  |

| <b>Table R: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues</b>   |                                 |           |            |                |                                 |              |           |                                |              |  |              | <b>2017-2019</b> |  |
|--|---------------------------------|-----------|------------|----------------|---------------------------------|--------------|-----------|--------------------------------|--------------|--|--------------|------------------|--|
| Assessment Area:   | Total Loans to Small Businesses |           |            |                | Businesses with Revenues <= 1MM |              |           | Businesses with Revenues > 1MM |              | Businesses with Revenues Not Available |              |                  |  |
|  | #                               | \$ ('000) | % of Total | Overall Market | % Businesses                    | % Bank Loans | Aggregate | % Businesses                   | % Bank Loans | % Businesses                           | % Bank Loans |                  |  |
| Coles County   | 35                              | 3,792     | 100        | 560            | 77.9                            | 74.3         | 49.8      | 5.3                            | 25.7         | 16.8                                   | 0.0          |                  |  |
| <i>Source: 2019 D&amp;B Data; 01/01/2017 - 12/31/2019 Bank Data; 2018 CRA Aggregate Data.<br/>                     Due to rounding, totals may not equal 100.0</i> |                                 |           |            |                |                                 |              |           |                                |              |  |              |                  |  |

| <b>Table U: Assessment Area Distribution of Consumer Loans by Income Category of the Geography</b>                                      |                      |     |            |                   |              |                        |              |                      |              |                     |              |                             | <b>2017-2019</b> |  |
|---|----------------------|-----|------------|-------------------|--------------|------------------------|--------------|----------------------|--------------|---------------------|--------------|-----------------------------|------------------|--|
| 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     |  |
| Coles County  | 35                   | 199 | 100        | 0.0               | 0.0          | 18.9                   | 8.6          | 55.8                 | 74.3         | 21.2                | 17.1         | 4.1                         | 0.0              |  |
| <i>Source: 2015 ACS Census; 01/01/2017 - 12/31/2019 Bank Data.<br/>                     Due to rounding, totals may not equal 100.0</i> |                      |     |            |                   |              |                        |              |                      |              |                     |              |                             |                  |  |

| <b>Table V - Assessment Area Distribution of Consumer Loans by Income Category of the Borrower</b>                                      |                      |           |            |                      |              |                           |              |                         |              |                        |              |                                | <b>2017-2019</b> |  |
|---|----------------------|-----------|------------|----------------------|--------------|---------------------------|--------------|-------------------------|--------------|------------------------|--------------|--------------------------------|------------------|--|
| Assessment Area:  | Total Consumer Loans |           |            | Low-Income Borrowers |              | Moderate-Income Borrowers |              | Middle-Income Borrowers |              | Upper-Income Borrowers |              | Not Available-Income Borrowers |                  |  |
|   | #                    | \$ ('000) | % of Total | % of Households      | % Bank Loans | % of Households           | % Bank Loans | % of Households         | % Bank Loans | % of Households        | % Bank Loans | % of Households                | % Bank Loans     |  |
| Coles County  | 35                   | 199       | 100        | 30.5                 | 25.7         | 17.1                      | 20.0         | 16.2                    | 25.7         | 36.2                   | 28.6         | 0.0                            | 0.0              |  |
| <i>Source: 2015 ACS Census; 01/01/2017 - 12/31/2019 Bank Data.<br/>                     Due to rounding, totals may not equal 100.0</i> |                      |           |            |                      |              |                           |              |                         |              |                        |              |                                |                  |  |