



PUBLIC DISCLOSURE

July 27, 2015

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

First Federal Savings Bank
Charter Number 702631

633 LaSalle Street
Ottawa, IL 61350-2931

Office of the Comptroller of the Currency
Peoria Field Office
211 Fulton Street, Suite 604
Peoria, IL 61602

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

First Federal Savings Bank is rated Satisfactory.

The Lending Test is rated: Satisfactory.

The Community Development Test is rated: Satisfactory.

The major factors that support these ratings include:

- The distribution of loans to borrowers of different income levels is reasonable.
- The majority of the loans originated by First Federal Savings Bank (FFSB) are to borrowers inside its assessment area (AA).
- The geographic distribution of loans reflects reasonable dispersion throughout the AAs, including moderate-income geographies, given the bank's product offerings and local economic conditions.
- FFSB's quarterly average loan-to-deposit ratio of 83 percent over the evaluation period is reasonable.
- FFSB's community development (CD) performance demonstrates adequate responsiveness to the community development needs of its AAs through CD loans, qualified investments, and community development services.

Scope of Examination

We evaluated FFSB under the Intermediate Small Savings Association evaluation procedures, which include a lending test and a community development test. The lending test evaluates the bank's record of meeting the credit needs of its AAs through its lending activities. The CD test evaluates the bank's community development lending, qualified investments, and CD service activities.

- The evaluation period is from the previous CRA evaluation, October 24, 2011, through July 27, 2015. The community development test covers any activities occurring during this evaluation period.
- The lending test is based on FFSB's primary loan products, which are residential home loans. We evaluated loans originated from January 1, 2013, through May 29, 2015, under the lending test and compared them to 2010 census data. There were no Metropolitan Statistical Area (MSA) changes affecting the lending analysis.
- The bank is located in a MSA and is subject to the requirements of the Home Mortgage Disclosure Act (HMDA). We reviewed residential related loans reported under HMDA for the years 2013, 2014, and through May 29, 2015.

- We conducted Data Integrity reviews of the HMDA by comparing information from the bank's loan application registers to actual loan files. We found the HMDA data for 2013, 2014, and 2015 to be accurate and reliable for use in this evaluation.
- The Kane County MSA AA received a limited scope review since FFSB's presence in the county is limited, and the volume of deposits is substantially less than that in the Grundy/Kendall/Will County MSA AA (GKW MSA AA) and the Bureau/LaSalle/Lee/Livingston/Putnam/Whiteside County non-MSA AA (Non-MSA AA). The GKW MSA AA and Non-MSA AA received a full scope review.

Description of Institution

First Federal Savings Bank is a \$371 million mutual institution headquartered in Ottawa, Illinois. Ottawa is located in north central Illinois, approximately 70 miles southwest of Chicago, Illinois. FFSB is an intrastate financial institution with twelve offices serving portions of Bureau, Grundy, Kane, Kendall, LaSalle, Lee, Livingston, Putnam, Whiteside, and Will Counties.

All locations except the main office are equipped with drive-up facilities. All of the offices are full-service locations. FFSB closed one location in Sterling, IL on February 1, 2012. The branch closure does not impede the bank's ability to serve its AA, even though the branch was located in a moderate-income census tract (CT). The customers can receive the same service from the branch located in the adjacent town of Rock Falls, IL, which is two miles away. The AA meets the requirements of the regulation and does not arbitrarily exclude low- or moderate-income geographies. FFSB also operates cash dispensing automated teller machines (ATMs) throughout the AA at all bank locations.

FFSB's strategy is to provide superior products and services to build relationships with its communities, customers, and employees. The bank offers a full range of deposit and loan products and services. FFSB entered into a Formal Agreement with the Office of the Comptroller of the Currency on June 8, 2012. FFSB suspended commercial and multifamily lending activity while implementing changes to satisfy the requirements of the Formal Agreement until the third quarter of 2013. Since that time, there have been no other restraints to hinder FFSB from meeting the credit needs of the bank's assessment areas. The bank's previous Intermediate Small Savings Association CRA rating was "Needs to Improve" as detailed in the October 24, 2011 Performance Evaluation.

There was no change in FFSB's corporate structure since the previous CRA evaluation. The bank owns First Fed Insurance Agency, which provides insurance services. FFSB's subsidiary does not negatively affect their ability to meet the credit needs of the community.

FFSB's primary lending product is residential real estate loans. This lending category accounts for eighty-four percent of loans originated and purchased from January 1,

2013 to June 30, 2015. We used this lending product for the analysis of this evaluation. Commercial and consumer lending are not a primary loan product, accounting for the remaining sixteen percent of the loans originated and purchased during this period.

Table 1 - Loan Originations and Purchases by Loan Type from January 1, 2013 through June 30, 2015				
Loan Category	Dollars (000s)	% of Dollars	Number of Loans	% of Number of Loans
Residential Loans	\$ 209,677	96%	1,288	84%
Consumer Loans	\$ 6,805	3%	246	16%
Commercial Loans	\$ 1,504	1%	2	0%
Total Loans	\$ 217,986	100%	1,536	100%

Source: Bank records from January 1, 2013 to June 30, 2015

As of June 30, 2015, FFSB reported total loans of \$268 million and had a net loans and leases to total assets ratio of seventy-one percent. The loan portfolio composition is as follows:

Table 2 - Loan Portfolio Summary by Loan Product As of June 30, 2015		
Loan Category	Dollars Outstanding (000s)	% of Outstanding Dollars
Residential Loans	\$256,485	96%
Commercial Loans	\$10,687	4%
Consumer Loans	\$381	0%
Total Loans	\$267,553	100%

Source: Call Report dated June 30, 2015

Description of Assessment Areas

FFSB's assessment areas meet the requirements of the regulation and do not arbitrarily exclude any low- or moderate-income areas. FFSB has three assessment areas: Bureau/LaSalle/Lee/Livingston/Putnam/Whiteside County Non-MSA (Non-MSA AA), Grundy/Kendall/Will County MSA (GKC MSA AA), and the Kane County MSA.

Bureau/LaSalle/Lee/Livingston/Putnam/Whiteside County Non-MSA AA

The Non-MSA AA is not located in an MSA and consists of sixty-six geographies: ten CTs in Bureau County, twenty-eight CTs in LaSalle County, nine CTs in Lee County, three CTs in Livingston County, two CTs in Putnam County, and fourteen CTs in Whiteside County. Four geographies are designated moderate-income (6 percent), while the remaining sixty-two CTs are designated middle- or upper-income (94 percent). The four moderate-income CTs are located in the Sterling-Rock Falls portion of Whiteside County. FFSB ranks eighth in deposit market share of the forty-eight financial institutions in Bureau, LaSalle, Lee, and Whiteside Counties according to the FDIC Market Share Report dated June 30, 2014.

The local economic condition is improving. According to the U.S. Department of Labor, the June 2015 unemployment rate for each county in the Non-MSA AA was 5.3 percent Bureau, 6.1 percent LaSalle, 4.7 percent Lee, 4.9 percent Livingston, 5.5 percent

Putnam, and 5.7 percent Whiteside . The June 2015 unemployment rate for the State of Illinois was 5.9 percent and 5.3 percent for the U.S. Unemployment is comparable to the state and national averages for all counties. Twenty CTs in LaSalle County were classified “Distressed due to Unemployment” in 2014 by the FFIEC. Major employers include local hospitals and healthcare facilities, distribution centers, city and county government, and local school districts.

We made one community contact from the Non-MSA AA during the evaluation. The contact indicated the primary credit need of the AA is affordable housing and small business loans. The contact also stated there are no unmet credit needs or banking services not met or provided for by the local financial institutions. Overall, the contact felt FFBSB and the other local financial institutions met the credit needs of the area.

The Non-MSA AA generates 70 percent of FFBSB’s deposits and 32 percent of the loans through its nine branches (75 percent of FFBSB locations). The Non-MSA AA received a full-scope review and carried the most weight for our lending and community development test analysis. The following is demographic information for the Non-MSA AA:

Table 4 - Demographic Information for the Non-MSA AA					
Demographic Characteristics	#	Low % of #	Mod % of #	Middle % of #	Upper % of #
Geographies (Census Tracts)	66	0%	6%	68%	26%
Population by Geography	247,634	0%	5%	70%	25%
Owner-Occupied Housing by Geography	74,092	0%	4%	69%	27%
Businesses by Geography	13,747	0%	4%	69%	27%
Farms by Geography	2,150	0%	1%	68%	31%
Family Distribution by Census Tract	66,976	0%	5%	70%	25%
Family Distribution by Income Level	66,976	16%	17%	22%	45%
Median Family Income	\$59,988	Median Housing Value		\$119,543	
2015 FFIEC Estimated Median Family Income	\$60,100	Average Monthly Gross Rent		\$614	
Households Below the Poverty Level	11%				

Source: 2010 U.S. Census data

Grundy/Kendall/Will County MSA AA

The GKW MSA AA is located in the Chicago-Naperville-Arlington Heights, IL MSA and consists of thirty-five census tracts (CTs): ten geographies in Grundy County, two geographies in Kendall County, and twenty-three geographies in Will County. One CT in Grundy County is designated moderate-income (3 percent), while the remaining thirty-four CTs are designated middle- or upper-income (97 percent). The one moderate-income geography is located in Morris, Illinois and consists of the eastern

third of the town. FFSB ranks twenty-eighth in deposit market share of the fifty-two financial institutions in Grundy, Kendall, and Will Counties according to the FDIC Market Share Report dated June 30, 2014.

The local economic condition is stable. According to the U.S. Department of Labor, the June 2015 unemployment rate for each county in the GKW MSA AA was 7.1 percent Grundy, 5.5 percent Kendall, and 6.4 percent Will. The June 2015 unemployment rate for the State of Illinois was 5.9 percent and 5.3 percent for the U.S. Unemployment is higher than the state and national averages for all counties except Kendall. Major employers include local hospitals and healthcare facilities, Caterpillar, WalMart, Exelon, Peacock Engineering, Harrah’s Casino, distribution centers, city and county government, and local school districts.

A community contact from the GKW MSA AA indicated the primary credit need of the AA is small business loans. The contact also stated there are no unmet credit needs or banking services not met or provided for by the local financial institutions. Overall, the contact felt the local financial institutions met the credit needs of the area.

The GKW MSA AA generates 20 percent of FFSB’s deposits and 37 percent of the loans through its two branches (17 percent of FFSB locations). The GKW MSA AA received a full-scope review for our lending and community development test analysis.

The following is demographic information for the GKW MSA AA:

Table 3 - Demographic Information for the GKW MSA AA					
Demographic Characteristics	#	Low % of #	Mod % of #	Middle % of #	Upper % of #
Geographies (Census Tracts)	35	0%	3%	66%	31%
Population by Geography	186,269	0%	2%	71%	27%
Owner-Occupied Housing by Geography	52,505	0%	2%	71%	27%
Businesses by Geography	9,849	0%	2%	72%	26%
Farms by Geography	620	0%	1%	84%	15%
Family Distribution by Census Tract	46,836	0%	2%	71%	27%
Family Distribution by Income Level	46,836	12%	16%	24%	48%
Median Family Income	\$83,553	Median Housing Value		\$222,592	
2015 FFIEC Estimated Median Family Income	\$77,700	Average Monthly Gross Rent		\$984	
Households Below the Poverty Level	5%				

Source: 2010 U.S. Census data

Kane County MSA AA

The Kane County MSA AA is located in the Elgin, IL MSA and consists of sixteen geographies. Three CTs are designated moderate-income (19 percent), while the remaining thirteen CTs are middle- or upper-income (81 percent). The moderate-income CTs are located in the town of Elgin, Illinois. FFSB ranks twenty-ninth in deposit market share of the thirty-seven financial institutions in Kane County according to the FDIC Market Share Report dated June 30, 2014.

The local economic condition is stable. According to the U.S. Department of Labor, the June 2015 unemployment rate for Kane County was 5.0 percent, which is below the state and national averages. The June 2015 unemployment rate for the State of Illinois was 5.9 percent and 5.3 percent for the U.S. Major employers in Kane County include Fermi Lab, casinos, hospitals and healthcare facilities, Bank One N.A., and the Illinois Department of Human Resources.

The Kane County MSA AA consists of one branch location (8 percent of FFSB locations) that generates 10 percent of FFSB’s deposits and 31 percent of the loans. The Kane County MSA AA received a limited-scope review due its limited presence in the area as well as the smaller volume of deposits derived from this market.

The following is demographic information for the Kane County MSA AA:

Table 5 - Demographic Information for the Kane County AA					
Demographic Characteristics	#	Low % of #	Mod % of #	Middle % of #	Upper % of #
Geographies (Census Tracts)	16	0%	19%	50%	31%
Population by Geography	117,084	0%	16%	37%	47%
Owner-Occupied Housing by Geography	31,916	0%	12%	38%	50%
Businesses by Geography	5,535	0%	15%	40%	45%
Farms by Geography	165	0%	14%	31%	55%
Family Distribution by Census Tract	29,529	0%	14%	37%	49%
Family Distribution by Income Level	29,529	14%	16%	22%	48%
Median Family Income	\$93,006	Median Housing Value		\$278,343	
2015 FFIEC Estimated Median Family Income	\$75,400	Average Monthly Gross Rent		\$948	
Households Below the Poverty Level	6%				

Source: 2010 U.S. Census data

Conclusions with Respect to Performance Tests

LENDING TEST

Loan-to-Deposit Ratio

FFSB's quarterly average loan-to-deposit ratio is reasonable given the bank's size, financial condition, and AA credit needs. FFSB's quarterly average loan-to-deposit ratio for the period July 1, 2011, to June 30, 2015, is 83 percent. FFSB had a quarterly low of 80 percent and a quarterly high of 86 percent. FFSB's 83 percent is down from the prior CRA evaluation's average loan-to deposit ratio of 98 percent. We attribute this to significant market competition in the bank's AA as well as selling a sizable volume of residential real estate loans on the secondary market.

FFSB's quarterly average loan-to-deposit ratio compares favorably to other community banks of similar size, location, and product offerings. FFSB ranks 2nd among eight similarly situated banks serving its AA. The quarterly average loan-to-deposit ratio for the other seven banks over the same period ranged from 47 to 84 percent. The other similarly situated banks used for comparison are community banks located in the AA and range in asset size from \$250 million to \$500 million.

Lending in Assessment Area

A majority of the loans originated by FFSB are to borrowers inside its AA. FFSB's lending to customers within its AA for its primary loan type is reasonable. The following table details the bank's lending within the AA by number of loan originations and dollar volume during the evaluation period:

Table 6 - Lending in the Assessment Area										
Loan Product	Number of Loans					Dollars of Loans \$(000)s				
	Inside		Outside		Total	Inside		Outside		Total
	#	%	#	%		\$	%	\$	%	
Residential RE	754	61%	476	39%	1,230	\$106,819	54%	\$90,457	46%	\$197,276

Source: HMDA records from January 1, 2013 to May 29, 2015

Lending to Borrowers of Different Incomes

The distribution of borrowers reflects reasonable penetration among individuals of different income levels given the demographics of the AA.

Non-MSA AA

FFSB’s lending to low-and moderate-income borrowers shows reasonable penetration and exceeds the peer lending data in the Non-MSA AA. Lending to low- and moderate-income borrowers is comparable to the AA demographics:

Table 8 – Non-MSA AA Borrower Distribution vs. HMDA Lending				
Income Category	Percent Families by Income Category	Peer Data Lending % 2013	First Federal	
			Number of Loans	Percent of Loans
Low	16%	8%	43	12%
Moderate	17%	18%	67	18%
Middle	22%	23%	99	27%
Upper	45%	38%	152	41%
Unknown	-	12%	10	3%
Total	100%	100%	371	100%

Source: HMDA records from January 1, 2013 to May 29, 2015; 2010 Census data

GKW MSA AA

The distribution of residential loans to borrowers of different income levels is reasonable for the GKW MSA AA. FFSB’s lending to low- and moderate-income borrowers exceeds the level conveyed by HMDA-reporting financial institutions in the AA. FFSB’s lending to low-income families within the AA is slightly below the geographic comparator. FFSB’s lending to moderate-income borrowers shows excellent distribution and exceeds the percentage of moderate-income families in the GKW MSA AA.

Table 7 – GKW MSA AA Borrower Distribution vs. HMDA Lending				
Income Category	Percent Families by Income Category	Peer Data Lending % 2013	First Federal	
			Number of Loans	Percent of Loans
Low	12%	6%	27	9%
Moderate	16%	19%	60	20%
Middle	24%	26%	65	22%
Upper	48%	34%	142	48%
Unknown	-	15%	3	1%
Total	100%	100%	297	100%

Source: HMDA records from January 1, 2013 to May 29, 2015; 2010 Census data

FFSB’s performance in the Kane County MSA AA showed reasonable penetration and was consistent with that of the GKW MSA AA and the Non-MSA AA.

Geographic Distribution of Loans

FFSB’s geographic distribution of residential lending reflects a reasonable dispersion in CTs of different income levels, including moderate-income CTs. There are no low-income CTs in any of the AAs.

Non-MSA AA

FFSB’s geographic distribution of residential lending reflects reasonable dispersion in CTs of different income levels, including moderate-income CTs. FFSB’s lending in moderate-income CTs is below the level reported by HMDA-reporting financial institutions in the Non-MSA AA as well as the level of owner-occupied housing located in the moderate-income geographies in the Non-MSA AA. This lower level of lending is attributed to the limited opportunities in the moderate-income tracts, as only seventeen percent of the households in the moderate-income CTs are below the poverty level. In addition, thirty-two percent of the housing units in the moderate-income tracts are rental properties. Performance under this criterion displays adequate performance.

Table 10 – Non-MSA AA Geographic Distribution vs. HMDA Lending				
Income Category	Distribution of OOHU’s*	Peer Data Lending % 2013	First Federal	
			Number of Loans	Percent of Loans
Low	N/A	N/A	N/A	N/A
Moderate	4%	3%	3	1%
Middle	69%	64%	239	64%
Upper	27%	33%	129	35%
Total	100%	100%	371	100%

Source: HMDA records from January 1, 2013 to May 29, 2015; 2010 Census data

* Owner Occupied Housing Unit (OOHU)

GKW MSA AA

FFSB’s residential lending reflects an excellent dispersion in CTs of different income levels in the GKW MSA AA. FFSB’s lending levels exceed the level reported by HMDA-reporting financial institutions in the AA. FFSB’s lending in moderate-income CTs exceeds the level of owner-occupied housing located in the moderate-income geographies in the GKW MSA AA. Performance under this criterion exceeds the standards for satisfactory performance. We did not identify any conspicuous gaps in the bank’s lending performance.

Table 9 – GKW MSA AA Geographic Distribution vs. HMDA Lending				
Income Category	Distribution of OOHU's*	Peer Data Lending % 2013	First Federal	
			Number of Loans	Percent of Loans
Low	N/A	N/A	N/A	N/A
Moderate	2%	1%	12	4%
Middle	71%	70%	181	61%
Upper	27%	29%	104	35%
Total	100%	100%	297	100%

Source: HMDA records from January 1, 2013 to May 29, 2015; 2010 Census data

* Owner Occupied Housing Unit (OOHU)

FFSB's performance in the Kane County MSA AA was not inconsistent with the overall lending in the other AAs..

Responses to Complaints

FFSB did not receive any complaints regarding its performance in helping to meet the credit needs within its AA during this evaluation period.

COMMUNITY DEVELOPMENT TEST

The bank's performance under the community development test is rated satisfactory. FFSB's CD performance demonstrates an adequate responsiveness to the community development needs of its AA through CD loans, qualified investments, and CD services.

Number and Amount of Community Development Loans

FFSB originated two CD loans totaling \$274 thousand. Both loans are located in the Non-MSA AA.

- One loan was to finance four rental real estate properties that offer affordable housing for LMI individuals. Three of the four properties are located in moderate-income CTs in the Non-MSA AA.
- The other loan funded the purchase of commercial real estate for a new business. The business is located in an enterprise zone, as well as a distressed middle-income CT due to unemployment, in the Non-MSA AA. The new business will help stabilize the local community.

Representing 96 percent of the loan portfolio by dollar, FFSB's main lending focus remains single family residential lending. FFSB suspended commercial lending in 2012 and 2013 while implementing changes to satisfy the requirements of the Formal Agreement. This, combined with the bank's nominal volume of commercial lending hindered the institution from originating commercial loans that might otherwise qualify for credit as a CD loan.

Number and Amount of Qualified Investments

FFSB invested \$1 million in a CRA Qualified Investment Fund. These funds help provide affordable housing for low- and moderate-income borrowers in Grundy, Kane, LaSalle, and Will Counties, which incorporates the bank's AAs.

FFSB made a total of \$35 thousand in cash contributions and donations to several organizations assisting low- and moderate-income individuals and families in the bank's AA. Some notable beneficiaries include local food pantries, homeless shelters, and Habitat for Humanity. The breakdown of contributions in the different AAs is below:

- Non-MSA AA - \$27 thousand in donations
- GWK MSA AA - \$5 thousand in cash contributions
- Kane County MSA AA - \$3 thousand in donations

Over the evaluation period, FFSB provided affordable housing through 14 Other Real Estate Owned (OREO) properties totaling \$788 thousand. Twelve of the OREO properties are located in low- and moderate-income CTs. In addition, the bank rented the substantial majority of these properties to LMI individuals. Although these properties are not directly located in the bank's AA, they are within close proximity to the GWK MSA AA.

Extent to Which the Bank Provides Community Development Services

Delivery systems are reasonably accessible to individuals of different income levels. FFSB operates twelve full-service locations and ATMs within the AAs. One office is located in a moderate-income CT while the remaining are located in middle- and upper-income tracts. Extended hours are available at all drive-up locations. FFSB's loan and deposit products are available at all locations. The officers and employees of the bank are involved in a number of community service organizations in the AAs.

FFSB offers loan programs and grants assisting low- and moderate-income borrowers. The loans made under these programs are reported under HMDA and are not considered community development loans. It should be noted in some communities, FFSB is the only lender offering these loan options. The bank is therefore providing a needed community development service by offering these products. These loan programs and grants also take additional time for employees to originate, process, underwrite, and close. Community development service hours for the loan programs and grants total 854 hours.

Table 11 – FFSB Loan Programs Offered	
Loan Program	Description
FHA	FHA loans are low down payment loans often utilized by first-time homebuyers. FHA has more flexible credit standards, and lower down payment requirements than conventional loan programs.
VA	VA loans are available to eligible veterans and require no down payment. Very few lenders offer VA financing in the bank's local market area.
USDA Rural Development	USDA Rural Development loans are for low and moderate income families in rural areas. USDA has more flexible credit standards and requires no down payment.
Illinois Housing Development Authority (IHDA)	IHDA is an Illinois program for low and moderate income homebuyers. They offer a below market fixed rate and low down payment. The IHDA program is used with FHA, VA, USDA or conventional loans.

USDA Guaranteed Rural Housing Loan Program

FFSB participates in the USDA Guaranteed Rural Housing Loan Program. This federal government program is designed to encourage people to purchase homes in rural areas. The USDA sets maximum income guidelines for people to qualify for the program. FFSB originated \$4.4 million in Rural Housing loans to low- and moderate-income individuals during this evaluation period.

- GWK MSA AA – 10 loans totaling \$1.1 million
- Non-MSA AA – 47 loans totaling \$3.3 million

Table 12 – FFSB Grant Programs			
Grant Program	# of Grants	\$ of Grants	Description
FHLB Down Payment Plus	63	\$462,075	This grant is offered to low income individuals through the FHLB. Grants are a maximum of \$8,000, and can be used for down payment and/or closing costs. Grants are often used in conjunction with one of the loan programs listed in Table 11. Grants are forgiven over a five-year period.
IHDA Smart Move n/k/a IHDA Welcome Home Illinois	84	\$551,305	This grant is offered on IHDA loans and can be used for down payment and/or closing costs up to \$7,500. Borrowers with low or moderate income that qualify for an IHDA loan also qualify for this grant.
IHDA Welcome Home Heroes	29	\$290,000	This \$10,000 grant is for Veterans that meet the IHDA income limits.
IHDA Building Blocks	10	\$100,000	This \$10,000 grant is for vacant properties located in certain counties that meet IHDA income limits.

Source: Bank records for loans closed in 2012, 2013, and 2014

FFSB also offered a financial education program for senior citizens in eight locations during 2014. The program focused on elder financial exploitation, guarding against identity theft, and other ways to prevent fraud and manage financial information. The majority of attendees at the seminars were LMI individuals.

FFSB is starting a new scholarship for a local graduating high school senior. The \$2,500 scholarship is for a LMI student entering a technical or trade program through Illinois Valley Community College. Several of the LaSalle County census tracts were designated as distressed due to high unemployment in 2014, so providing an education that would be applicable to local employers was an important factor.

Responsiveness to Community Development Needs

The bank's community development performance is adequate, considering the bank's capacity, and the need and availability of such opportunities for CD in the bank's AA.

Fair Lending or Other Illegal Credit Practices Review

Pursuant to 12 C.F.R. 25.28(c), or 12 C.F.R. 195.28(c), in determining a national bank's (bank) or federal savings association's (FSA) CRA rating, respectively, the OCC considers evidence of discriminatory or other illegal credit practices in any geography by the bank or FSA, or in any assessment area by an affiliate whose loans have been considered as part of the bank's or FSA's lending performance.

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