



PUBLIC DISCLOSURE

July 29, 2019

**COMMUNITY REINVESTMENT ACT
PERFORMANCE EVALUATION**

First National Bank of Tennessee
Charter Number 15550

214 East Main Street
Livingston, TN 38570

Office of the Comptroller of the Currency

320 Seven Springs Way, Suite 310
Brentwood, TN 37027

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

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Overall CRA Rating

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

The lending test is rated: Outstanding.

The community development test is rated: Outstanding.

The major factors that support this rating include:

- The Lending Test rating is based on the Outstanding performance in the State of Tennessee. First National Bank of Tennessee (FNBOTN or Bank) exhibits excellent geographic and borrower distribution.
- The Bank's loan-to-deposit (LTD) ratio is reasonable.
- The Bank originated and purchased a substantial majority of loans inside its assessment areas (AAs).
- The overall level and responsiveness of community development lending and services is excellent.
- The Bank did not receive any Community Reinvestment Act (CRA) related complaints during the review period.

Loan-to-Deposit Ratio

Considering the bank's size, financial condition, and credit needs of the AA (AA), the FNBOTN's loan-to-deposit (LTD) ratio is reasonable. The evaluation period for the LTD ratio was for the 12 quarter period from January 1, 2016, to December 31, 2018. The LTD ratio is calculated on a bank-wide basis. The Bank's quarterly LTD ratio during the evaluation period averaged 71.9 percent, with a high ratio of 75.27 percent in the fourth quarter of 2018 and a low of 66.42 percent in the first quarter of 2016. We compared the FNBOTN's LTD ratio to four similarly situated banks in the AA, ranging in total asset size from \$245 million to \$2.66 billion. The average LTD ratio for similarly situated banks was 69.35 percent with a high average of 90.01 percent and a low average of 42.56 percent. Additionally, the bank participates in secondary market lending. During the review period of 2016 through 2018, the bank delivered and closed over \$52 million in mortgage loans to the secondary market. These secondary market loans are not included as part of the Bank's LTD ratio.

Lending in Assessment Area

A substantial majority of the Bank's loans are inside its AA.

The Bank originated or purchased 86.7 percent of its total loans inside the bank's AA 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.

| Loan Category | Number of Loans | | | | Total # | Dollar Amount of Loans \$(000s) | | | | Total \$(000s) |
|---------------|-----------------|-------------|-----------|-------------|------------|---------------------------------|-------------|--------------|-------------|-------------------|
| | Inside | | Outside | | | Inside | | Outside | | |
| | # | % | # | % | | \$ | % | \$ | % | |
| Home Mortgage | 52 | 86.7 | 8 | 13.3 | 60 | 5,972 | 88.1 | 804 | 11.9 | 6,776 |
| Business | 52 | 86.7 | 8 | 13.3 | 60 | 13,098 | 59.6 | 8,895 | 40.4 | 21,993 |
| Total | 104 | 86.7 | 16 | 13.3 | 120 | 19,070 | 66.3 | 9,699 | 33.7 | 28,769 |

*Source: Evaluation Period: 1/1/2016 - 12/31/2018 Bank Data
Due to rounding, totals may not equal 100.0*

Description of Institution

As of December 31, 2018, FNBOTN is an \$845 million institution headquartered in Livingston, Overton County, Tennessee. FNBOTN is a single-state institution that operates in rural middle Tennessee. In addition to their main office, FNBOTN operates six full-service branch offices in its AA. The bank has 10 full-service automated teller machines (ATMs) in the AA. All branches are open 8:00 a.m. to 4:30 p.m., Monday through Thursday and 8:00 a.m. to 5:00 p.m., Friday. Five of the seven branches are open on Saturdays 8:00 a.m. to 12:00 p.m. The bank has not opened or closed any branches since the last CRA Evaluation. All branches provide a full range of products and services, including drive-up facilities and ATMs. There are no legal, financial, or other factors impeding FNBOTN's ability to help meet the credit needs in its AAs. The last CRA Performance Evaluation is dated August 7, 2016, and FNBOTN received a rating of Outstanding. FNBOTN is not a Home Mortgage Disclosure Act (HMDA) reporter.

As of December 31, 2018, FNBOTN's net loans represented 63.76 percent of average assets. FNBOTN's primary loan products are real estate and commercial and industrial loans, which account for 79.54 percent and 13.6 percent, respectively, of the loan portfolio. As of December 31, 2018, tier 1 capital was \$98.76 million, and the tier 1 leverage capital ratio was 11.76 percent. FNBOTN continues to focus on maintaining current relationships with customers and building new relationships through loans and deposits.

FNBOTN has one AA consisting of all census tracts (CTs) within the counties of Cumberland, Overton, Putnam, and White. The AA includes 42 CTs. There were no low-income CTs during the review period. There were nine moderate-income CTs in 2016 and eight moderate-income CTs in 2017-18.

Scope of the Evaluation

Evaluation Period/Products Evaluated

We completed a review of FNBOTN's CRA performance in its AA under the Intermediate Small Bank (ISB) CRA procedures, which includes the Lending Test and Community Development (CD) Test. The Lending Test evaluates the bank's record of meeting credit needs of their AA through its lending activities. The CD Test evaluates the bank's responsiveness to CD needs in its AA through qualified CD lending, investments, and services.

Loan information used for this evaluation included samples of home mortgage loans and business loans from 2016, 2017, and 2018. Conclusions for the CD Test are based on the bank's CD activities during the same time period.

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 metropolitan statistical area (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 based on the State of Tennessee.

FNBOTN has one full-scope AA in Tennessee. We performed a full-scope review for this AA. FNBOTN's primary loan products are home mortgage loans and commercial loans. FNBOTN also originates home mortgage loans to sell on the secondary market. Home mortgage loans and commercial loans are evenly weighted in the lending test.

The state rating is based on performance in the Bank's sole AA. Refer to the "Scope" section under the state 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 Tennessee

CRA rating for the State of Tennessee¹: Outstanding

The Lending Test is rated: Outstanding

The Community Development Test is rated: Outstanding

The major factors that support this rating include:

- FNBOTN's LTD is reasonable, reflecting responsiveness to credit needs in the community.
- FNBOTN originated and purchased a substantial majority of loans, both by number and dollar amount of loans, inside its AA.
- The Bank exhibits excellent geographic distribution of loans to low- and moderate-income CTs.
- The Bank exhibits excellent distribution of loans to individuals of different income levels and businesses of different sizes.
- FNBOTN has not received any complaints regarding its CRA performance during the evaluation period.
- The overall level and responsiveness of community development lending and services is excellent.

Description of Institution's Operations in Tennessee

FNBOTN only operates in the State of Tennessee, including six full-service branches in addition to its main office. The main office and one branch are located in Livingston, two branches are located in Crossville, and one branch each in Cookeville, Sparta, and Algood. Drive-thru ATMs are located at all these locations. FNBOTN maintains the second highest number of branches from any one bank in the AA with 10.61 percent of all branches. While FNBOTN has the highest share of deposits in the AA at 19.24 percent of total deposits, there is significant competition within the AA including other Tennessee-based community banks as well as large regional and nationwide banks. FNBOTN's main products are real estate loans and business loans.

Community contacts for this evaluation include two community development organizations. Both contacts noted a need for small business lending in the AA. One contact noted an improvement in small business lending recently, but stated there is still a need in the area.

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.

Non-MSA Counties AA

| Table A – Demographic Information of the Assessment Area | | | | | | |
|--|---------|---------------|------------------------------|------------------|-----------------|---------------|
| Assessment Area: Non-MSA AA - 2016 | | | | | | |
| Demographic Characteristics | # | Low % of # | Moderate % of # | Middle % of # | Upper % of # | NA* % of # |
| Geographies (Census Tracts) | 42 | 0.0 | 21.4 | 57.1 | 21.4 | 0.0 |
| Population by Geography | 176,298 | 0.0 | 19.8 | 60.2 | 20.0 | 0.0 |
| Housing Units by Geography | 79,795 | 0.0 | 19.9 | 59.8 | 20.3 | 0.0 |
| Owner-Occupied Units by Geography | 50,510 | 0.0 | 14.3 | 63.9 | 21.8 | 0.0 |
| Occupied Rental Units by Geography | 18,742 | 0.0 | 33.7 | 49.0 | 17.3 | 0.0 |
| Vacant Units by Geography | 10,543 | 0.0 | 22.7 | 59.3 | 17.9 | 0.0 |
| Businesses by Geography | 9,658 | 0.0 | 28.3 | 45.4 | 26.3 | 0.0 |
| Farms by Geography | 458 | 0.0 | 14.0 | 72.7 | 13.3 | 0.0 |
| Family Distribution by Income Level | 46,959 | 19.8 | 18.8 | 21.9 | 39.5 | 0.0 |
| Household Distribution by Income Level | 69,252 | 24.4 | 16.1 | 18.7 | 40.8 | 0.0 |
| Median Family Income Non-MSAs - TN | | \$44,386 | Median Housing Value | | | \$119,847 |
| | | | Median Gross Rent | | | \$564 |
| | | | Families Below Poverty Level | | | 13.3% |

Source: 2010 U.S. Census and 2016 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.

| Table A – Demographic Information of the Assessment Area | | | | | | |
|--|---------|---------------|------------------------------|------------------|-----------------|---------------|
| Assessment Area: Non-MSA AA – 2017-18 | | | | | | |
| Demographic Characteristics | # | Low % of # | Moderate % of # | Middle % of # | Upper % of # | NA* % of # |
| Geographies (Census Tracts) | 42 | 0.0 | 19.0 | 66.7 | 14.3 | 0.0 |
| Population by Geography | 179,617 | 0.0 | 20.6 | 65.8 | 13.6 | 0.0 |
| Housing Units by Geography | 82,966 | 0.0 | 20.1 | 66.3 | 13.6 | 0.0 |
| Owner-Occupied Units by Geography | 52,095 | 0.0 | 12.7 | 71.9 | 15.4 | 0.0 |
| Occupied Rental Units by Geography | 20,427 | 0.0 | 38.4 | 51.5 | 10.1 | 0.0 |
| Vacant Units by Geography | 10,444 | 0.0 | 21.2 | 67.1 | 11.7 | 0.0 |
| Businesses by Geography | 9,794 | 0.0 | 27.4 | 54.1 | 18.5 | 0.0 |
| Farms by Geography | 406 | 0.0 | 15.3 | 73.9 | 10.8 | 0.0 |
| Family Distribution by Income Level | 48,858 | 21.0 | 18.1 | 20.3 | 40.5 | 0.0 |
| Household Distribution by Income Level | 72,522 | 24.6 | 15.9 | 18.3 | 41.1 | 0.0 |
| Median Family Income Non-MSAs - TN | | \$46,254 | Median Housing Value | | | \$130,163 |
| | | | Median Gross Rent | | | \$614 |
| | | | Families Below Poverty Level | | | 15.0% |

Source: 2015 ACS 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.

Scope of Evaluation in Tennessee

We completed a review of FNBOTN's CRA performance in its AA under the ISB CRA procedures, which includes the Lending Test and CD Test. The Lending test evaluates the bank's record of meeting credit needs of their AA through its lending activities. The CD Test evaluates the bank's responsiveness to CD needs in its AA through qualified CD lending, investments, and services.

Loan information used for this evaluation included samples of home mortgage loans and business loans from 2016, 2017, and 2018. Conclusions for the CD Test are based on the bank's CD activities during the same time period.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN TENNESSEE

LENDING TEST

The Bank's performance under the Lending Test in Tennessee is rated Outstanding.

Based on a full-scope review, the Bank's lending performance in the state of Tennessee is excellent.

Distribution of Loans by Income Level of the Geography

The Bank exhibits excellent geographic distribution of loans in the state.

Home Mortgage Loans

Refer to Table O in the state of Tennessee section of appendix D for the facts and data used to evaluate the geographic distribution of the Bank's home mortgage loan originations and purchases.

In 2016, the AA contained nine moderate-income CTs and no low-income CTs. In 2016, FNBOTN's mortgage lending in moderate-income CTs significantly exceeded both the level of owner-occupied housing units and the aggregate lending comparator.

In 2017-18, the AA contained eight moderate-income CTs and no low-income CTs. In 2017-18, FNBOTN's mortgage lending in moderate-income CTs exceeded the aggregate lending comparator and was near the level of owner-occupied housing units.

Small Loans to Businesses

Refer to Table Q in the state of Tennessee section of appendix D for the facts and data used to evaluate the geographic distribution of the Bank's originations and purchases of small loans to businesses.

In 2016, the AA contained nine moderate-income CTs and no low-income CTs. In 2016, FNBOTN's small business lending in moderate-income CTs was near both the level of businesses and the aggregate lending comparator.

In 2017-18, the AA contained eight moderate-income CTs and no low-income CTs. In 2017-18, FNBOTN's small business lending in moderate-income CTs was below both the level of businesses and the aggregate lending comparator.

Distribution of Loans by Income Level of the Borrower

The Bank exhibits an excellent distribution of loans to individuals of different income levels and businesses and farms of different sizes, given the product lines offered by the bank.

Home Mortgage Loans

Refer to Table P in the state of Tennessee section of appendix D for the facts and data used to evaluate the borrower distribution of the Bank's home mortgage loan originations and purchases.

For 2016, the loan sample did not include any home mortgage loans to low-income borrowers; however, the peer aggregate peer comparator was also low at 4.5 percent. Home mortgage lending to moderate-income borrowers exceeded both the percentage of moderate-income families and aggregate lending comparator. Opportunities to lend to low-income borrowers is limited. As of December 31, 2016, the median family income was \$44,386. The area had 13.3 percent of families living below the poverty level, and low-income families made less than \$23,200 per year. Moderate-income families made no more than \$37,120 per year. With a median housing value of \$119,847, it is difficult for low- and moderate-income borrowers to obtain affordable housing without loan subsidies.

In 2017-18, FNBOTN's mortgage lending to low-income borrowers exceeded the aggregate lending comparator and was near the level of low-income families. Home mortgage lending to moderate-income borrowers exceeded both the percentage of moderate-income families and aggregate lending comparator. FNBOTN's mortgage lending to moderate -income borrowers exceeded both the aggregate lending comparator and the level of moderate-income families. As of December 31, 2018, the median family income was \$46,254. The area had 15 percent of families living below the poverty level, and low-income families made less than \$25,050 per year. Moderate-income families made no more than \$40,080 per year. With a median housing value of \$130,163, it is difficult for low- and moderate-income borrowers to obtain affordable housing without loan subsidies.

Given the difficulties for low- and moderate-income borrowers to obtain affordable housing, we placed more weight on the bank's lending compared to aggregate. FNB's lending, which in most cases exceeds or significantly exceeds aggregate peer numbers, is reflective of excellent lending.

Small Loans to Businesses

Refer to Table R in the state of Tennessee section of 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.

For 2016, FNBOTN's lending to businesses with revenues less than or equal to \$1 million exceeded the aggregate lending comparator and was near the level of businesses identified as having revenues less than or equal to \$1 million.

For 2017-18, FNBOTN's lending to businesses with revenues less than or equal to \$1 million exceeded the aggregate lending comparator and was near the level of businesses identified as having revenues less than or equal to \$1 million.

Responses to Complaints

FNBOTN did not receive any complaints regarding their CRA performance.

COMMUNITY DEVELOPMENT TEST

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

Based on a full-scope review, the bank exhibits excellent responsiveness to community development needs 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 AA.

Number and Amount of Community Development Loans

Refer to the Lending Activity 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.

During the evaluation period, FNBOTN originated 96 CD loans totaling \$30.49 million or 30.87 percent of tier 1 capital, representing excellent responsiveness to the needs of the community. The Bank extended credit to build affordable housings, to revitalize or stabilize distressed or underserved areas, and to provide community services to low- and moderate-income families. Significant loans include two loans to a local church which provides aid to low- and moderate-income families totaling \$5 million and two large loans to community development financial institutions totaling \$17.06 million.

Number and Amount of Qualified Investments

| Qualified Investments | | | | | | | | | | |
|-----------------------|---------------|-----------|----------------|-----------|-------|--------------|-----------|---------------|------------------------|-----------|
| Assessment Area | Prior Period* | | Current Period | | Total | | | | Unfunded Commitments** | |
| | # | \$(000's) | # | \$(000's) | # | % of Total # | \$(000's) | % of Total \$ | # | \$(000's) |
| Non-MSA AA | 1 | 30 | 3 | 57.5 | 3 | 100.0 | 57.5 | 100 | 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.

FNBOTN made three qualified investments in the AA during the evaluation period totaling \$57.5 thousand, indicating reasonable responsiveness to AA needs. FNBOTN invested in a mobile library to bring books to children during the summer months. This investment is in conjunction with a local school. The majority of the children at the school are from low- and moderate-income families. FNBOTN also invested in the Highlands Initiative which focuses on accelerating economic development in the AA.

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

Extent to Which the Bank Provides Community Development Services

The level of qualified CD services provided by FNBOTN employees within the AA indicates excellent responsiveness to the needs of the community. Bank employees provide technical assistance and financial services to numerous community groups serving low- and moderate-income individuals in the AA, including participation through the following:

Teach Children to Save- Bank employees teach lessons in schools to children throughout the AA about ways to earn and save money. The majority of students in these schools are from low- and moderate-income families.

Emergency Food and Shelter Program- An FNBOTN employee serves on a committee to help allocate funds to various programs that serve low- and moderate-income individuals and families. The funds are allocated to programs like Meals on Wheels, Genesis House, and Mineral Springs Hunger Relief.

Junior Achievement- Bank employees work with Junior Achievement to provide financial lessons to children. Bank employees teach children about earning a paycheck, budgeting, and balancing a checkbook. The majority of students in these schools are from low- and moderate-income families.

Highlands Residential Services- Bank employees provided lessons related to banking and financial responsibility to children of Highlands Residential Services, a low-income housing provider.

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: | (01/01/2016 to 12/31/2018) | |
| Bank Products Reviewed: | Home mortgage, small business Community development loans, qualified investments, community development services | |
| Affiliate(s) | Affiliate Relationship | Products Reviewed |
| None | | |
| List of Assessment Areas and Type of Examination | | |
| Rating and Assessment Areas | Type of Exam | Other Information |
| MMSA(s) | | |
| None | | |
| | | |
| Tennessee | | |
| Non-MSA AA | Full-scope | Counties of Cumberland, Overton, Putnam, and White |
| | | |
| | | |
| | | |

Appendix B: Summary of MMSA and State Ratings

| RATINGS First National Bank of Tennessee | | | |
|--|----------------------|----------------|--------------------------------------|
| Overall Bank: | Lending Test Rating* | CD Test Rating | Overall Bank/State/Multistate Rating |
| FNBOTN | Outstanding | Outstanding | Outstanding |
| MMSA or State: | | | |
| Tennessee | Outstanding | Outstanding | Outstanding |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |

(*) 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: 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 | 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 |
| Non-MSA AA | 20 | 2,676 | 100.0 | 4,099 | 0.0 | 0.0 | 0.0 | 14.3 | 20.0 | 12.9 | 63.9 | 45.0 | 62.0 | 21.8 | 35.0 | 25.2 | 0.0 | 0.0 | 0.0 |
| Total | 20 | 2,676 | 100.0 | 4,099 | 0.0 | 0.0 | 0.0 | 14.3 | 20.0 | 12.9 | 63.9 | 45.0 | 62.0 | 21.8 | 35.0 | 25.2 | 0.0 | 0.0 | 0.0 |

Source: 2010 U.S Census; 01/01/2016 - 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 2017-18

| 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 |
| Non-MSA AA | 40 | 3,974 | 100 | 4,220 | 0.0 | 0.0 | 0.0 | 12.7 | 12.5 | 12.1 | 71.9 | 77.5 | 71.7 | 15.4 | 10.0 | 16.2 | 0.0 | 0.0 | 0.0 |
| Total | 40 | 3,974 | 100 | 4,220 | 0.0 | 0.0 | 0.0 | 12.7 | 12.5 | 12.1 | 71.9 | 77.5 | 71.7 | 15.4 | 10 | 16.2 | 0.0 | 0.0 | 0.0 |

Source: 2015 ACS Census; 01/01/2017 - 12/31/2018 Bank Data, 2017 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 | |
| Non-MSA AA | 20 | 2,676 | 100 | 4,099 | 19.8 | 0.0 | 4.5 | 18.8 | 30.0 | 15.2 | 21.9 | 10.0 | 18.3 | 39.5 | 60.0 | 40.1 | 0.0 | 0.0 | 22.0 | |
| Total | 20 | 2,676 | 100 | 4,099 | 19.8 | 0.0 | 4.5 | 18.8 | 30.0 | 15.2 | 21.9 | 10.0 | 18.3 | 39.5 | 60.0 | 40.1 | 0.0 | 0.0 | 22.0 | |

*Source: 2010 U.S. Census; 01/01/2016 - 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 | | | | | | | | | | | | | | | | | | | | 2017-18 |
|--|-----------|--------------|-------------------|-----------------------|-----------------------------|---------------------|------------------|----------------------------------|---------------------|------------------|--------------------------------|---------------------|------------------|-------------------------------|---------------------|------------------|---------------------------------------|---------------------|------------------|----------------|
| 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 | |
| Non-MSA AA | 40 | 3,974 | 100 | 4,220 | 21.0 | 17.5 | 4.3 | 18.1 | 20.0 | 15.7 | 20.3 | 15.0 | 20.5 | 40.5 | 45.0 | 37.6 | 0.0 | 2.5 | 22.0 | |
| Total | 40 | 3,974 | 100 | 4,220 | 21.0 | 17.5 | 4.3 | 18.1 | 20.0 | 15.7 | 20.3 | 15.0 | 20.5 | 40.5 | 45.0 | 37.6 | 0.0 | 2.5 | 22.0 | |

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

| Table Q: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography | | | | | | | | | | | | | | | | | | | 2016 |
|---|---------------------------------|--------------|------------|----------------|-------------------|--------------|------------|------------------------|--------------|-------------|----------------------|--------------|-------------|---------------------|--------------|-------------|-----------------------------|--------------|-------------|
| Assessment Area: | Total Loans to Small Businesses | | | | Low-Income Tracts | | | Moderate-Income Tracts | | | Middle-Income Tracts | | | Upper-Income Tracts | | | Not Available-Income Tracts | | |
| | # | \$ | % of Total | Overall Market | % Businesses | % Bank Loans | Aggregate | % Businesses | % Bank Loans | Aggregate | % Businesses | % Bank Loans | Aggregate | % Businesses | % Bank Loans | Aggregate | % Businesses | % Bank Loans | Aggregate |
| Non-MSA AA | 20 | 9,456 | 100 | 1,565 | 0.0 | 0.0 | 0.0 | 28.3 | 25.0 | 25.3 | 45.4 | 55.0 | 48.1 | 26.3 | 20.0 | 26.6 | 0.0 | 0.0 | 0.0 |
| Total | 20 | 9,456 | 100 | 1,565 | 0.0 | 0.0 | 0.0 | 28.3 | 25.0 | 25.3 | 45.4 | 55.0 | 48.1 | 26.3 | 20.0 | 26.6 | 0.0 | 0.0 | 0.0 |

*Source: 2016 D&B Data; 01/01/2016 - 12/31/2016 Bank Data; 2016 CRA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0*

| Table Q: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography | | | | | | | | | | | | | | | | | | | 2017-18 |
|---|---------------------------------|--------------|--------------|----------------|-------------------|--------------|------------|------------------------|--------------|-------------|----------------------|--------------|-------------|---------------------|--------------|-------------|-----------------------------|--------------|----------------|
| Assessment Area: | Total Loans to Small Businesses | | | | Low-Income Tracts | | | Moderate-Income Tracts | | | Middle-Income Tracts | | | Upper-Income Tracts | | | Not Available-Income Tracts | | |
| | # | \$ | % of Total | Overall Market | % Businesses | % Bank Loans | Aggregate | % Businesses | % Bank Loans | Aggregate | % Businesses | % Bank Loans | Aggregate | % Businesses | % Bank Loans | Aggregate | % Businesses | % Bank Loans | Aggregate |
| Non-MSA AA | 40 | 5,792 | 100.0 | 1,638 | 0.0 | 0.0 | 0.0 | 27.4 | 10.0 | 26.3 | 54.1 | 85.0 | 54.3 | 18.5 | 5.0 | 19.4 | 0.0 | 0.0 | 0.0 |
| Total | 40 | 5,792 | 100.0 | 1,638 | 0.0 | 0.0 | 0.0 | 27.4 | 10.0 | 26.3 | 54.1 | 85.0 | 54.3 | 18.5 | 5.0 | 19.4 | 0.0 | 0.0 | 0.0 |

*Source: 2018 D&B Data; 01/01/2017 - 12/31/2018 Bank Data; 2017 CRA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0*

| Table R: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues | | | | | | | | | | | | 2016 |
|---|---------------------------------|--------------|--------------|----------------|---------------------------------|--------------|-------------|--------------------------------|--------------|--|--------------|-------------|
| Assessment Area: | Total Loans to Small Businesses | | | | Businesses with Revenues <= 1MM | | | Businesses with Revenues > 1MM | | Businesses with Revenues Not Available | | |
| | # | \$ | % of Total | Overall Market | % Businesses | % Bank Loans | Aggregate | % Businesses | % Bank Loans | % Businesses | % Bank Loans | |
| Non-MSA AA | 20 | 9,456 | 100.0 | 1,565 | 82.7 | 70.0 | 44.7 | 5.2 | 30.0 | 12.1 | 0.0 | |
| Total | 20 | 9,456 | 100.0 | 1,565 | 82.7 | 70.0 | 44.7 | 5.2 | 30.0 | 12.1 | 0.0 | |
| <i>Source: 2016 D&B Data; 01/01/2016 - 12/31/2016 Bank Data; 2016 CRA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0</i> | | | | | | | | | | | | |

| Table R: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues | | | | | | | | | | | | 2017-18 |
|---|---------------------------------|--------------|--------------|----------------|---------------------------------|--------------|-------------|--------------------------------|--------------|--|--------------|----------------|
| Assessment Area: | Total Loans to Small Businesses | | | | Businesses with Revenues <= 1MM | | | Businesses with Revenues > 1MM | | Businesses with Revenues Not Available | | |
| | # | \$ | % of Total | Overall Market | % Businesses | % Bank Loans | Aggregate | % Businesses | % Bank Loans | % Businesses | % Bank Loans | |
| Non-MSA AA | 40 | 5,792 | 100.0 | 1,638 | 81.6 | 77.5 | 44.8 | 5.4 | 20.0 | 13.0 | 2.5 | |
| Total | 40 | 5,792 | 100.0 | 1,638 | 81.6 | 77.5 | 44.8 | 5.4 | 20.0 | 13.0 | 2.5 | |
| <i>Source: 2018 D&B Data; 01/01/2017 - 12/31/2018 Bank Data; 2017 CRA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0</i> | | | | | | | | | | | | |