

PUBLIC DISCLOSURE

April 18, 2011

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

**Pulaski Bank
12300 Olive Boulevard
Creve Coeur, MO 63141-6402
Docket #: 05106**

**Office of Thrift Supervision
Western Region
225 East John Carpenter Freeway, Suite 500
Irving, TX 75062-2326**

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.



Office of Thrift Supervision

Department of the Treasury

Western Region

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June 20, 2011

Board of Directors
Pulaski Bank
12300 Olive Boulevard
Creve Coeur, MO 63141-6402

OTS No. 05106

Members of the Board:

Enclosed is your institution's written Community Reinvestment Act (CRA) Performance Evaluation. The Office of Thrift Supervision (OTS) prepared the evaluation as of April 18, 2011. Pursuant to the provisions of the CRA and OTS regulations (12 C.F.R. 563e), your institution must make this written CRA Performance Evaluation available to the public within 30 business days of receiving it. You must place the evaluation in your CRA public file at your home office and at each branch within this time frame. You may not alter or abridge the evaluation in any manner. At your discretion, you may retain previous written CRA Performance Evaluation(s) with the most recent evaluation in your CRA public file.

Your institution may prepare a response to the evaluation. You may place the response in each CRA public file along with the evaluation. In the event your institution elects to prepare such a response, please forward a copy of it to this office.

All appropriate personnel, particularly customer contact personnel, need to be aware of the responsibilities that the institution has to make this evaluation available to the public. Consequently, we suggest that your institution review internal procedures for handling CRA inquiries, including those pertaining to the evaluation and other contents of the CRA public file.

We strongly encourage the Board of Directors, senior management, and other appropriate personnel to review this document and to take an active interest and role in the CRA activities of your institution.

Sincerely,

Bill M. Williams
Assistant Director, Compliance

Enclosure

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General Information

The Community Reinvestment Act (CRA) requires each federal financial supervisory agency to use its authority when examining financial institutions to assess the 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. Upon conclusion of such examination, the agency must prepare a written evaluation of the institution's record of meeting the credit needs of its community.

This document is an evaluation of the CRA performance of Pulaski Bank (Pulaski). The Office of Thrift Supervision (OTS) prepared the evaluation as of April 18, 2011. OTS evaluates performance in assessment area(s) delineated by the institution rather than individual branches. This assessment area evaluation may include visits to some, but not necessarily all, of the institution's branches. OTS rates the CRA performance of an institution consistent with the provisions set forth in Appendix A to 12 C.F.R. Part 563e.

Institution

Overall Rating

INSTITUTION'S CRA RATING: Outstanding

Pulaski Bank's "Outstanding" rating is based primarily on its excellent volume of loan originations, excellent distribution of its loans among individuals of differing income levels, good distribution of those loans within geographies of differing income levels, and its leadership in community development activities.

The Lending Test performance is rated "Outstanding" for the following reasons:

- The lending levels reflected excellent responsiveness to assessment area credit needs. Pulaski originated \$3.1 billion in residential mortgage and small business loans during the review period.
- A majority (54.6 percent) of the institution's loans were within its assessment area.
- The geographic distribution of loans reflected good penetration throughout its assessment area.
- The distribution of loans among borrowers reflected excellent penetration among borrowers of different income levels.
- Excellent record of serving the credit needs of low-income areas and individuals.
- Leader in making community development loans.
- Made use of innovative and/or flexible lending practices in serving assessment area credit needs.

The Investment Test performance is rated "Outstanding" for the following reasons:

- Excellent level of qualified community development investments and grants.
- Excellent responsiveness to credit and community development needs.
- The institution made use of innovative and/or complex investments to support community development initiatives.

The Service Test performance is rated "High Satisfactory" for the following reasons:

- Delivery channels of financial services were readily accessible to all portions of the institution's assessment area.
- Overall, the record of opening and closing branches did not adversely affect accessibility of its delivery systems, particularly to low- and moderate-income individuals.
- The institution provided an adequate level of community development services.

Institution (continued)

Pulaski Bank's CRA performance was last evaluated in December 2007, at which time the institution's CRA rating was "Satisfactory."

Institution

Lending, Investment, Service Test Table

The following table indicates the performance level of Pulaski Bank with respect to the lending, investment, and service tests:

PERFORMANCE LEVELS	Pulaski Bank 4/18/2011		
	PERFORMANCE TESTS		
	Lending Test*	Investment Test	Service Test
Outstanding	X	X	
High Satisfactory			X
Low Satisfactory			
Needs to Improve			
Substantial Noncompliance			

* Note: The lending test is weighted more heavily than the investment and service tests when arriving at an overall rating.

Description of Institution

Pulaski Bank (Pulaski) is a federally chartered stock savings bank, headquartered in Creve Coeur, Missouri. Pulaski maintains twelve branch offices serving the Greater St. Louis metropolitan area.

As of December 31, 2010, Pulaski reported total assets of \$1.5 billion, total liabilities of \$1.3 billion, and net worth of \$136.4 million. At that time, major categories of assets were as follows:

Institution (continued)

Major Components of Total Assets As of December 31, 2010		
Asset Type	Amount (\$000s)	% of Total Assets
Permanent Mortgage Loans		
- Single Family	757,194	51.6
- Multifamily	42,149	2.9
- Nonresidential and Land	350,005	23.9
Construction Mortgage Loans:		
Single Family Construction Loans	6,483	0.4
Multifamily Construction Loans	3,417	0.2
Nonresidential Construction Loans	7,077	0.5
Commercial Loans	140,073	9.6
Consumer Loans	3,037	0.2
Investments		
- US Gov't/Agency Securities	13,594	0.9
- Mortgage Backed Securities	16,220	1.1
Interest Earning Deposits	26,879	1.8
Cash/Non-Interest Earning Deposits	10,513	0.7

Pulaski is primarily a single-family (one-to-four-unit) residential mortgage lender. Pulaski also offers construction loan financing and commercial loans. Pulaski sells a significant proportion of its single-family residential mortgage originations to third-party investors. This practice frees up funds that allow the institution to originate more loans.

During the 36-month review period, Pulaski reported \$6.1 billion in residential, nonresidential, and construction mortgage originations. Pulaski also granted \$797.5 million in non-mortgage commercial loans. The following table illustrates Pulaski's lending activity by year by loan product:

Institution (continued)

Mortgage Origination Activity **									
Percent of Total Assets									
Loan Type	2010			2009			2008		
	Inst.	Wst Rgn Peer*	Pct Ranking	Inst.	Wst Rgn Peer*	Pct Ranking	Inst.	Wst Rgn Peer*	Pct Ranking
1-4 Construction	0.8	0.3	68	0.9	0.3	65	2.8	0.8	73
5+ Construction	0.0	0.0	63	0.1	0.0	64	0.3	0.0	74
Non-Residential Construction	0.6	0.1	84	1.8	0.2	92	3.3	0.3	90
1-4 Permanent Mortgage	142.1	8.7	95	170.1	10.9	97	111.0	10.9	95
5+ Permanent Mortgage	0.5	0.1	71	0.5	0.1	70	0.4	0.4	50
Non-Residential Permanent Mortgage	3.5	1.5	81	5.2	1.8	84	6.8	2.7	77
Land	0.9	0.0	90	1.5	0.0	91	1.2	0.2	76
Total Originations	148.4	13.9	95	180.2	16.5	97	125.7	19.1	95
Purchased Loans	0.3	0.0	68	0.4	0.1	67	0.7	0.1	66
Commercial Loans	16.7	1.9	90	19.2	2.5	91	23.7	3.1	88
Consumer Loans	0.1	0.3	28	0.1	0.5	30	0.3	0.7	39

* OTS peer group median for thrift institutions with between \$1.0 billion and \$5.0 billion in assets.
 ** This information is compiled pursuant to OTS reporting instructions, and therefore, does not exactly correspond to information on reportable lending used in the balance of this evaluation. It is provided to give an overall profile of the institution's total credit activity during the review period.

As of December 31, 2010, Pulaski had an excellent record of meeting the credit and deposit needs of its assessment area. During the 36-month review period, Pulaski originated \$3.1 billion in HMDA reportable residential mortgage and small business loans, made \$9.0 million in qualifying investments, and held \$1.2 billion in deposits within 12 branch offices serving the greater St. Louis area. Based on the Federal Deposit Insurance Corporation's June 30, 2010 deposit market share report, Pulaski ranked eleven out of 68 banks and savings and loans in its assessment area with a market share of 2.1 percent.

Scope of Examination

This evaluation of Pulaski's CRA performance is based on the large retail institution CRA examination procedures adopted by the Federal Financial Institutions Examination Council (FFIEC). These procedures include Lending, Investment, and Service Tests for evaluating CRA performance. Each of these three tests, in turn, includes several evaluation criteria. The Lending Test is the most heavily weighted of the three tests and accounts for one-half of the overall rating. The Investment and Service Tests each account for one-quarter of the overall rating. This is an evaluation of Pulaski's overall CRA performance during the January 1, 2008 through December 31, 2010 review period in the institution's assessment area in the state of Missouri.

Institution (continued)

Description of Assessment Area

An assessment area is a geographic area wherein CRA performance is measured. The geographies must include the institution's branch offices and deposit-taking automated teller machines. In addition, the assessment area boundaries must follow the boundaries of contiguous political subdivisions, such as counties, cities, or towns. In the case of this analysis, assessment area designations follow county boundaries.

Pulaski's Greater St. Louis assessment area covers St. Louis City, St. Louis County, St. Charles County, and Jefferson County. These four counties along with four other counties in Missouri and eight counties in Illinois make up the St. Louis, MO-IL metropolitan statistical area (MSA). As of July 2009, the U.S. Census Bureau estimated the population of this assessment area to be 1,923,408, an increase of 4.2 percent since the 2000 Census. The assessment area housed 32.1 percent of the population of Missouri. According to the 2000 Census, low- and moderate-income families made up 35.8 percent of the families residing in Pulaski's assessment area, and 23.3 percent of all families lived in low- or moderate-income census tracts.

The 2010 U.S. Department of Housing and Urban Development (HUD) updated Median Family Income for the assessment area was \$68,300, an increase of 27.8 percent since the 2000 Census. Economic conditions deteriorated during the review period. According to the Bureau of Labor Statistics, the average annual unemployment rate was 6.2 percent in 2008, jumped to 9.5 percent in 2009, and rose further to 9.8 percent in 2010. Housing in the St. Louis MSA was generally affordable based on the National Association of Home Builder's Housing Opportunity Index (HOI) for 4th Quarter 2010. The HOI for the MSA was 85.3 based on the updated Median Family Income for 2010 and the median home sales price of \$130,000 during fourth-quarter 2010. This MSA ranked 55 out of 223 metropolitan areas monitored nationally. The HOI is defined as the share of homes sold in that area that would have been affordable to a family earning the median income. Homeownership opportunities in St. Louis City were limited as more than 50.0 percent of housing units were rental housing.

The following table provides additional information about the demographics of Pulaski's assessment area:

Institution (continued)

Demographic Information for Full Scope Area: St. Louis City, St. Louis County, St. Charles County, and Jefferson County (Missouri)						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	375	11.2	22.4	38.7	26.7	1.0
Population by Geography	1,846,486	6.1	19.4	43.2	31.2	0.01
Owner-Occupied Housing by Geography	511,668	3.1	15.9	46.3	34.7	0.00
Business by Geography	110,614	4.9	16.4	39.8	38.4	0.5
Farms by Geography	2,359	1.6	10.7	50.2	37.4	0.1
Family Distribution by Income Level	482,645	18.3	17.5	21.8	42.4	0.0
Distribution of Low and Moderate Income Families throughout AA Geographies	172,877	11.4	30.5	43.5	14.2	0.6
Median Family Income HUD Adjusted Median Family Income for 2010 Households Below Poverty Level		53,435 68,300 9%	Median Housing Value Unemployment Rate (2000 US Census)		115,569 2.9%	

(*) The NA category consists of geographies that have not been assigned an income classification.
 Source: 2000 US Census and 2010 HUD updated MFI

Conclusions With Respect To Performance Tests

Pulaski’s overall performance in its Greater St. Louis assessment area is outstanding for the following reasons:

- Performance under the Lending Test is outstanding.
- Performance under the Investment Test is outstanding.
- Performance under the Service Test is high satisfactory.

LENDING TEST

In order to assess the institution’s performance under the requirements of the Lending Test, an analysis was performed of the volume, geographic distribution, and borrower income distribution of loans originated and purchased during the review period. Lending was also reviewed to determine the use of innovative and flexible credit products, particularly in meeting the credit needs of highly economically disadvantaged geographies and persons. The volume and complexity of the institution’s community development lending were reviewed as an additional component of this assessment. Results were variously compared to the 2000 Census data, the most current Home Mortgage Disclosure Act (HMDA) annual reports, and OTS peer median data. Pulaski’s residential mortgage and small business lending results are compared to the loan origination results of the 2009

Institution (continued)

HMDA aggregate or 2009 Small Business aggregate, as appropriate. Pulaski's lending is also compared to the 2000 Census income level demographics for families and census tracts.

CONCLUSION

Pulaski's "Outstanding" performance under the Lending Test in its Greater St. Louis assessment area is based on the following factors:

- Excellent lending volume.
- Majority of loans granted within its assessment area.
- Good record of lending within low- and moderate-income geographies.
- Excellent record of lending to low- and moderate-income borrowers.
- Excellent responsiveness to the credit needs of low-income individuals and areas.
- Leader in community development lending.
- Use of innovative and flexible lending products.

The following sections contain the data supporting these conclusions:

LENDING ACTIVITY

- During the review period, Pulaski originated 17,547 residential (one-to-four-unit and multifamily) mortgage loans for \$3.0 billion and originated or purchased 592 small business loans totaling \$127.9 million in its Greater St. Louis assessment area. This lending activity represented 2.7 times the dollar amount of total deposits held within Pulaski's twelve branches in its Greater St. Louis assessment area.
- In 2009, Pulaski ranked second out of 566 lenders in the assessment area and maintained an 8.3 percent market share of the number of residential mortgage loans originated in its Greater St. Louis assessment area.
- Pulaski ranked 23 out of 100 small business lenders in its Greater St. Louis assessment area during 2009. The institution had a 0.4 percent market share of the total number small business loans originated or purchased in the assessment area.

ASSESSMENT AREA CONCENTRATION

A majority of loans originated by Pulaski during the review period were to borrowers located within the institution's Greater St. Louis assessment area. The following table presents the ratio of the institution's loan originations granted within its assessment areas to its total of such lending:

Institution (continued)

Assessment Area Concentration Greater St. Louis Assessment Area						
Review Period	Number of Loans			Dollar Amount (\$000)		
	Assessment Area Lending	Total Lending	Ratio of AA to Total	Assessment Area Lending	Total Lending	Ratio of AA to Total
All Reported Lending	18,139	33,239	54.6	3,152,319	5,834,893	54.0
HMDA/Residential	17,547	32,602	53.8	3,024,373	5,690,947	53.1
Small Business	592	637	92.9	127,946	143,946	88.9

GEOGRAPHIC DISTRIBUTION OF LOANS

- Pulaski granted 2,061 residential mortgage loans totaling \$238.9 million in low- and moderate-income census tracts in its Greater St. Louis assessment area.
- Low- and moderate-income census tract lending represented 11.7 percent of the institution’s total assessment area loan originations compared with 10.1 percent for the 2009 HMDA aggregate.
- Pulaski ranked first out of 321 lenders originating residential mortgage loans within low- and moderate-income geographies and maintained a market share of 9.2 percent of the number of such loans granted within the assessment area in 2009. Pulaski’s market share of low- and moderate-income census tract lending was above its overall market share performance of 8.3 percent.
- Pulaski originated or purchased 169 small business loans totaling \$38.6 million within low- and moderate-income census tracts in its Greater St. Louis assessment area.
- Pulaski’s small business loans granted within low- and moderate-income census tracts represented 28.8 percent of its total small business lending compared to 16.6 percent for the 2009 Small Business aggregate.

The following table illustrates the distribution of Pulaski’s residential mortgage lending within geographies of differing income levels compared to the 2009 HMDA aggregate lending results:

Institution (continued)

Greater St. Louis Assessment Area					
Income Level	Demographics % Tracts	Pulaski			2009 HMDA % of #
		#	% #	\$	
Low	11.2	236	1.3	24,850	1.1
Moderate	22.4	1,825	10.4	214,010	9.0
Low & Moderate	33.6	2,061	11.7	238,860	10.1
Middle	38.7	8,238	47.0	1,192,131	43.8
Upper	26.7	7,243	41.3	1,592,757	46.1
NA	1.1	5	0.0	625	0.0
Total	100.0	17,547	100.0	3,024,373	100.0

The following table illustrates the distribution of Pulaski’s small business lending within geographies of differing income levels compared to the 2009 Small Business aggregate lending results:

Greater St. Louis Assessment Area					
Income Level	Demographics % Tracts	Pulaski			2009 SmB % of #
		#	% #	\$	
Low	11.2	49	8.4	15,870	3.8
Moderate	22.4	120	20.4	22,705	12.8
Low & Moderate	33.6	169	28.8	38,575	16.6
Middle	38.7	176	30.0	32,977	40.2
Upper	26.7	242	41.2	54,927	43.2
NA *	1.1				
Total	100.0	587	100.0	126,479	100.0

*Pulaski granted 5 small business loans in census tracts designated as “NA”. These loans are purposefully excluded from the table and calculations.

Mortgage Lending Dispersion

- Pulaski accepted applications from 87.3 percent of all low- and moderate-income census tracts of its Greater St. Louis assessment area during the review period.
- Pulaski penetrated 94.9 percent of all census tracts in the assessment area during this period.

LOAN DISTRIBUTION BY BORROWER INCOME CHARACTERISTICS

- Pulaski granted 5,597 residential mortgage loans totaling \$630.7 million to low- and moderate-income borrowers in its Greater St. Louis assessment area.
- Low- and moderate-income borrower lending represented 31.9 percent of the institution’s total assessment area loan originations compared with 26.6 percent for the 2009 HMDA aggregate.
- Pulaski ranked first out of 354 lenders originating residential mortgage loans to low- and moderate-income borrowers and maintained a market share of 10.5 percent of the number of

Institution (continued)

such loans granted within the assessment area in 2009. Pulaski’s market share of low- and moderate-income borrower lending was above its overall market share performance of 8.3 percent.

- Pulaski originated or purchased 289 small business loans totaling \$57.7 million to businesses with revenues of \$1.0 million or less in its Greater St. Louis assessment area.
- Pulaski’s lending to small businesses represented 48.8 percent of its total small business lending compared to 23.3 percent for the 2009 Small Business aggregate.

The following table illustrates the distribution of Pulaski’s residential mortgage lending among borrowers of differing income levels compared to the 2009 HMDA aggregate lending results:

Greater St. Louis Assessment Area					
Income Level	Demographics % Families	Pulaski			2009 HMDA % of #
		#	% #	\$	
Low	18.3	1,661	9.5	149,551	7.6
Moderate	17.5	3,936	22.4	481,148	18.9
Low & Moderate	35.8	5,597	31.9	630,699	26.5
Middle	21.8	4,091	23.3	630,363	21.7
Upper	42.4	6,987	39.8	1,610,850	40.7
NA	0.0	872	5.0	152,461	11.1
Total	100.0	17,547	100.0	3,024,373	100.0

The following table illustrates the distribution of Pulaski’s small business lending among businesses of differing income levels compared to the 2009 Small Business aggregate lending results:

Greater St. Louis Assessment Area					
Revenue Category	Demographics % Small Businesses	Pulaski			2009 SmB % of #
		#	% #	\$	
<= \$1 Mil	74.4	289	48.8	57,664	23.3
> \$1 Mil	25.6	206	34.8	46,619	72.7
Not Known	0.0	97	16.4	23,663	0.0
Total	100.0	592	100.0	127,946	100.0

RESPONSIVENESS TO CREDIT NEEDS

Borrower Distribution

- Pulaski granted 1,661 residential mortgage loans totaling \$149.6 million to low-income borrowers in its Greater St. Louis assessment area.
- Pulaski’s low-income borrower lending represented 9.5 percent of its total residential mortgage lending compared to 7.6 percent for the 2009 HMDA aggregate.

Institution (continued)

- Pulaski ranked first out of 253 lenders originating residential mortgage loans to low-income borrowers and maintained a market share of 11.2 percent of the number of such loans granted within the assessment area in 2009.

Geographic Distribution

- Pulaski originated 236 residential mortgage loans totaling \$24.9 million within low-income census tracts in its Greater St. Louis assessment area.
- Lending within low-income census tracts represented 1.3 percent of the institution’s total assessment area loan originations compared with 1.1 percent for the 2009 HMDA aggregate.
- Pulaski ranked first out of 148 lenders originating residential mortgage loans within low-income census tracts and maintained a market share of 9.6 percent of the number of such loans granted within the assessment area in 2009.
- Pulaski’s residential mortgage lending penetrated 69.1 percent of low-income census tracts in its Greater St. Louis assessment area.
- Pulaski originated or purchased 49 small business loans totaling \$15.9 million within low-income census tracts in its Greater St. Louis assessment area.
- Pulaski’s small business loans granted within low-income census tracts represented 8.3 percent of its total small business lending compared to 3.8 percent for the 2009 Small Business aggregate.

The following table illustrates the distribution of Pulaski’s lending to low-income borrowers and within low-income geographies compared to the 2009 HMDA aggregate lending results:

Mortgage Lending to Low-Income Borrowers & within Geographies in its Greater St. Louis assessment area										
Assessment Area	Low-Income Borrowers					Low-Income Census Tracts				
	%LI Families	% LI Lending		Market Share and Rank for LI Brw		%LI Tracts	% LI Lending		Market Share and Rank for LI Tracts	
		PB	2009 HMDA	%	#		PB	2009 HMDA/SmB	%	#
Residential Lending	18.3	9.5	7.6	11.2	1 of 253	11.2	1.3	1.1	9.6	1 of 148
Small Business						11.2	8.3	3.8	NA	NA

COMMUNITY DEVELOPMENT LENDING

During the review period, Pulaski made 36 community development loans totaling \$172.2 million. The purpose of these loans are predominately for the rehabilitation and revitalization of low-income or distressed neighborhoods in Pulaski’s assessment area using new market tax credits. Pulaski provided short-term loans to facilitate tax credits. Pulaski’s community development lending also included direct lending for revitalization of neighborhoods, loans for small business development, and affordable housing for low- and moderate-income persons.

Institution (continued)

INNOVATIVE OR FLEXIBLE LENDING PRODUCTS

Pulaski participated in several loan guarantee programs, including Federal Housing Administration (FHA), Veterans Administration (VA), and USDA's Rural Housing Programs (RHS). Approximately, one-third of Pulaski's residential mortgage loans were made through one of the above-mentioned loan programs.

INVESTMENT TEST

CONCLUSION

Pulaski's "Outstanding" performance under the Investment Test in its Greater St. Louis assessment area is based on the following factors:

- Pulaski made an excellent level of qualified community development investments within its Greater St. Louis assessment area.
- Pulaski made \$9.0 million in investments and grants or donations that benefited its Greater St. Louis assessment area
- The institution exhibited excellent responsiveness to the credit and community development needs of the community.
- Pulaski made use of innovative or complex investments to support community development initiatives.

Pulaski invested \$9.0 million in a Recovery Zone Facilities Bond issued by the Missouri Development Finance Board. This investment, for the redevelopment of a parking garage in downtown St. Louis, is part of a larger redevelopment plan and will utilize new market tax credits.

Pulaski also made \$276,300 in charitable donations to numerous community organizations.

SERVICE TEST

CONCLUSION

Pulaski's "High Satisfactory" performance under the Service Test in its Greater St. Louis assessment area is based on the following factors:

- Readily accessible delivery systems.
- Changes in branches did not adversely affect accessibility of its delivery systems.

Institution (continued)

- Services did not vary in a way that inconveniences its assessment area.
- Provided an adequate level of community development services.

The following sections contain the data supporting these conclusions:

RETAIL BANKING SERVICES

Accessibility of Delivery System

Pulaski maintains twelve branch offices within its Greater St. Louis assessment area. Pulaski’s branches are distributed throughout its assessment area, including low- and moderate-income census tracts. Three branches (25.0 percent) of Pulaski’s branches are located in low- or moderate-income census tracts and an additional four middle- and upper-income branches are located in census tracts where more than 30.0 percent of families are designated low- or moderate-income.

Branch Distribution				
Income Level	2000 Census			
	Number	% Number	LMI Families >30%	% Moderate-income and/or >30% LMI Families
Low	1	8.3	1	8.3
Moderate	2	16.7	2	16.7
Middle	4	33.3	3	25.0
Upper	5	41.7	1	8.3
Total	12	100.0	7	58.3

Pulaski offers automated teller machine (ATM) cards to its deposit customers to allow cash withdrawals at any ATM and to make purchases wherever point of sale transactions are accepted. Pulaski also offers a VISA debit card to allow purchases wherever VISA transactions are accepted. Pulaski’s online banking services allow customers to check account balances, view account history, and make transfers between accounts 24 hours a day. Pulaski’s online services also allow customers to set up and pay bills online. Pulaski also offers 24-hour telephone banking services and bank-by-mail.

Overall, Pulaski’s branch network combined with its various alternative delivery systems allows customers of all income levels the flexibility to bank at the customers’ convenience, rather than being restricted by traditional bank branch hours.

Institution (continued)

Changes in Branch Locations

Pulaski did not open or close any branches during the review period. Pulaski's record of opening or closing branches did not adversely affect the accessibility of its delivery systems.

Reasonableness of Business Hours and Services

All products and services offered by Pulaski are available through all of its branches. Pulaski offers many checking accounts, savings and money market accounts, and certificates of deposit to meet a variety of deposit needs of its community. Of particular interest to low- and moderate-income individuals or the unbanked, Pulaski offers no cost/no minimum balance checking and savings accounts, second-chance checking and savings accounts, and senior accounts.

Branch hours of operation are consistent with competitors' hours. With the exception of three branches, Pulaski's branches are open between 8:30 a.m. to 5:00 p.m. Monday through Thursday, 8:30 a.m. to 6:00 p.m. Friday, and 8:30 a.m. to 12:00 p.m. Saturday. All branches are open between 8:30 a.m. to 5:00 p.m. with two branches open until 5:30 p.m. and one branch maintaining extended hours on Saturday.

COMMUNITY DEVELOPMENT SERVICES

Pulaski, through its employees and senior management as representatives of Pulaski, provided an adequate level of community development services within its Greater St. Louis assessment area. These services included the participation of Pulaski's staff as director and/or committee members of local community development organizations, fundraising efforts for qualifying organizations, and financial literacy and homebuyer education.

Fair Lending or Other Illegal Credit Practices Review

Our review of Pulaski's compliance with the substantive provisions of anti-discrimination laws and regulations did not reveal any patterns or practices of discrimination or use of other illegal credit practices. Pulaski has established policies and procedures related to fair lending.

Appendix A

Scope of Examination

This evaluation of Pulaski Bank's Community Reinvestment Act (CRA) performance covers a review period of January 1, 2008 through December 31, 2010.

Our evaluation of the institution's lending performance included a review of loans originated by the institution for the purchase or refinance of one- to four-family and multifamily residential properties as well as home improvement loans. Our review also covered small business loans originated by the institution. For comparative information, this evaluation included a review of publicly reported residential and small business lending for the institution and other lenders in Pulaski's assessment area. The institution's lending results were compared with Home Mortgage Disclosure Act (HMDA) aggregate lending results for 2009, which includes market share information and distributions of credit activity by area- and borrower-income levels. Lending results were also compared to the 2000 U.S. Census demographic information. Small business lending was compared to the lending results of the 2009 Small Business Aggregate.

We reviewed lending and financial information from the Thrift Financial Reports (TFRs) and Uniform Thrift Performance Reports (UTPRs) regarding the institution's performance and that of its asset-size peer group (OTS-regulated institutions with total assets between \$1.0 billion and \$5.0 billion). In addition, we reviewed internal reports prepared by the institution regarding loan originations and distributions.

Participations in community development loans, including the institution's involvement and details of the specific projects or transactions, were also reviewed. Evaluation of the institution's community development investment performance included a review of the institution's reports of investments made during the review period; information regarding the composition of the institution's investment portfolio; and corporate contributions and grants made to community development organizations by the institution. We also reviewed information regarding services offered by the institution to determine whether these services met the regulatory definition of "community development services," including information obtained from involved organizations.

We reviewed information regarding the location, hours, and services provided at each of the institution's branch offices; reports of deposits at each of the institution's branches; information regarding alternative delivery systems; and any additional financial services provided by the institution. We reviewed the geographic distribution of the institution's branch offices, including the income level of the census tract in which each is located, and records regarding the opening, closing, purchase, or relocation of the institution's branch offices.

Appendix A (continued)

To obtain demographic, economic, business, and property-use information for the assessment area, we reviewed information from the 2000 U.S. Census. We also reviewed more current information, including updated population estimates and housing information from the U.S. Census Bureau, updated income information from the U.S. Department of Housing and Urban Development (HUD) as of 2010, and recent employment and income data for 2008 through 2010 from the U.S. Bureau of Labor Statistics (BLS).

Finally, inasmuch as we did not identify any discriminatory lending policies or practices, this CRA evaluation was not negatively affected by its fair lending performance.

Appendix B

Summary of State and Multistate Metropolitan Area Ratings

State or Multistate Metropolitan Area Name	Lending Test Rating	Investment Test Rating	Service Test Rating	Overall State Rating
St Louis MSA	Outstanding	Outstanding	High Satisfactory	Outstanding

CRA Rating Definitions

There are five separate and distinct CRA assessment methods set forth in the CRA: the lending, investment, and service tests for large, retail institutions; the intermediate small institution test for intermediate small savings associations; the streamlined examination method for small institutions; the community development test for wholesale and limited purpose institutions; and the strategic plan option for all institutions. OTS will assign an institution one of the four assigned ratings required by Section 807 of the CRA:

1. "Outstanding record of meeting community credit needs."
2. "Satisfactory record of meeting community credit needs."
3. "Needs to improve record of meeting community credit needs."
4. "Substantial noncompliance in meeting community credit needs."

OTS judges an institution's performance under the test and standards in the rule in the context of information about the institution, its community, its competitors, and its peers. Among the factors to evaluate in an examination are the economic and demographic characteristics of the assessment area(s); the lending, investment, service, and community development opportunities in the assessment area(s); the institution's product offerings and business strategy; the institution's capacity and constraints; the prior performance of the institution; in appropriate circumstances, the performance of a similarly situated institution; and other relevant information. An institution's performance need not fit each aspect of a particular rating profile in order to receive that rating, and exceptionally strong performance with respect to some aspects may compensate for weak performance in others. The institution's overall performance, however, must be consistent with safe and sound banking practices and generally with the appropriate rating profile. In addition, OTS adjusts the evaluation of an institution's performance under the applicable assessment method in accordance with §563e.21 and §563e.28, which provide for adjustments on the basis of evidence of discriminatory or other illegal credit practices.