



PUBLIC DISCLOSURE

May 28, 2019

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Havana National Bank
Charter Number 2242

112 South Orange Street
Havana, Illinois 62644

Office of the Comptroller of the Currency
Peoria Field Office
211 Fulton Street, Suite 604
Peoria, Illinois 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, and should not be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion, or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.

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Overall CRA Rating

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

The lending test is rated: Satisfactory.

The major factors that support this rating include:

- The Lending Test rating is based on the State of Illinois rating.
- The borrower distribution of loans reflects reasonable penetration in the assessment areas (AAs).
- The geographic distribution reflects reasonable dispersion in the AAs.
- A majority of loans are to customers within the AAs.
- The loan-to-deposit (LTD) ratio is reasonable.

Loan-to-Deposit Ratio

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

The quarterly average LTD ratio was 84.5 percent for the 19 quarter period between September 30, 2014 and March 31, 2019, with a low of 74.5 percent and a high of 96.8 percent.

The bank ranked second of 11 similarly situated FDIC insured financial institutions that compete with the bank for deposits in the AAs. The comparable institutions ranged in size from \$85.2 million to \$414.9 million and reported quarterly average LTD ratios from 41.8 percent to 87.3 percent. The LTD ratio is calculated on a bank-wide basis.

Lending in Assessment Area

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

The bank originated and purchased 87.5 percent of its total loans inside the AAs during the evaluation period. This analysis is performed at the bank, rather than the AA, level.

Lending Inside and Outside of the Assessment Area										
Loan Category	Number of Loans				Total #	Dollar Amount of Loans \$ (000s)				Total \$ (000s)
	Inside		Outside			Inside		Outside		
	#	%	#	%		\$	%	\$	%	
Small Farm	16	80.0	4	20.0	20	7,214	78.5	1,970	21.5	9,184
Consumer	19	95.0	1	5.0	20	146	97.0	5	3.0	151
Total	35	87.5	5	12.5	40	7,360	78.8	1,975	21.2	9,335

Source: Sample of agriculture and consumer loans originated from 1/1/2016 to 12/31/2018.

Description of Institution

Havana National Bank (HNB or bank) is an intrastate financial institution headquartered in Havana, Illinois, in central Illinois along the Illinois River and Highway 136, with total assets of \$253.3 million, at March 31, 2019.

The bank is wholly owned by Community Investment Group, Ltd (CIG), a holding company headquartered in Havana, Illinois, with total assets of \$253.3 million, at March 31, 2019. CIG does not negatively affect the bank's ability to meet the credit needs of the community.

The CRA evaluation has one rating area for HNB's two assessment areas (AA) in Illinois. The first AA includes all census tracts (CT) in the non-metropolitan statistical areas (MSAs) of Mason, Fulton, and Cass counties as well as one CT in the northwest portion of Logan County. The second AA includes two CTs in the southwest portion of Tazewell County, which is located in the Peoria, Illinois MSA.

Including the main office, there are a total of six branches and eleven automated teller machines (ATMs). Branches are located in Lewistown, Manito, Green Valley, San Jose, and Virginia, Illinois. The Virginia, Illinois, branch was purchased in September 2015 from the then First National Bank of Barry. All branches have drive-up facilities and offer Saturday banking services. In 2016, one branch and five ATMs were located in moderate-income CTs. Three branches and three ATMs were located in underserved or distressed middle-income CTs. In 2017 and 2018, one ATM was located in a moderate-income CT. Four branches and seven ATMs were located in underserved or distressed middle-income CTs. Customers also have access to banking services via phone, internet, and mobile platforms.

The bank's lending strategy is focused in agriculture; however, HNB offers a wide range of products to meet the needs of its customers, including commercial, residential real estate, and consumer products. Please see the Public File for more information.

Agriculture lending represents the largest portfolio at \$123.1 million, followed by commercial at \$28.3 million, residential real estate at \$21.9 million, and consumer at \$4 million, as of March 31, 2019, per call report data. The bank originated or purchased 3,158 loans from January 1, 2016, through December 31, 2018, per bank data.

The MSA AA does not have a full time loan officer. Loan requests are forwarded to a loan officer in the non-MSA AA, which may reduce lending opportunities in the MSA AA.

HNB held a net loans and lease to total assets ratio of 69.3 percent and a tier 1 leverage capital ratio of 10.9 percent at March 31, 2019.

There are no legal or financial circumstances that impede the bank's ability to meet the credit needs of its AAs.

The previous CRA rating, which the OCC determined using the Small Bank criterion, was Satisfactory, as detailed in the PE dated August 18, 2014.

Scope of the Evaluation

Evaluation Period/Products Evaluated

We evaluated HNB under the Small Bank evaluation procedures, which includes a Lending Test. The Lending Test evaluates the bank's record of meeting the credit needs of its AAs through its lending activities. The evaluation period is from the previous CRA evaluation date of August 18, 2014, through May 28, 2019. The Lending Test evaluated loans originated or purchased from January 1, 2016, through December 31, 2018.

HNB's primary loan products are agriculture and consumer loans. These lending categories account for 78.2 percent of loans, by number, originated or purchased from January 1, 2016, to December 31, 2018. We used these lending products for the analysis of this evaluation.

The bank is not required to maintain CRA Loan Application Register data on commercial lending outside of the individual credit files. Therefore, we utilized random sampling to obtain data for agriculture loans, as well as consumer loans. We obtained the gross revenues of agriculture borrowers and gross income of consumer borrowers. We also geocoded each loan sampled. Performance conclusions for lending between January 1, 2016, and December 31, 2016, are based on 2010 US Census data. Performance conclusions for lending between January 1, 2017, and December 31, 2018, are based on 2015 American Community Survey data.

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 a blend of the state ratings, and where applicable, multistate ratings.

HNB operates entirely within the State of Illinois. Within the State of Illinois, we gave more weight to the Non-MSA AA as it accounted for the substantial majority of deposit and lending activity. We weighed the performance of agriculture lending more than consumer lending due to the strategic focus of the bank. We gave more weight to the borrower distribution than the geographic distribution due to the limited number of moderate-income CTs in the AAs.

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

Discriminatory or Other Illegal Credit Practices Review

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

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

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

State Rating

State of Illinois

CRA rating for the State of Illinois¹: Satisfactory

The Lending Test is rated: Satisfactory

The major factors that support this rating include:

- The borrower distribution of loans reflects reasonable penetration in the AAs.
- The geographic distribution reflects reasonable dispersion in the AAs.
- A majority of loans are to customers within the AAs.
- The LTD ratio is reasonable.

Description of Institution's Operations in Illinois

Competition for loans and deposits is moderate in and around Havana, Illinois; however, the level of competition increases near the larger banking market of Peoria, Illinois. HNB competes with national banks, state banks, farm credit institutions, and nonbank financial institutions. In the county comprising the MSA AA, HNB held a 0.2 percent market share and ranked 14th of 16 FDIC insured financial institutions competing for \$2.8 billion in deposits, at June 30, 2018. The top competitor in the MSA AA controlled 60.2 percent of the deposit market share. For the non MSA AA, HNB held 9.0 percent market share and ranked 2nd of 34 FDIC insured financial institutions competing for \$2.1 billion in deposits.

HNB sourced a substantial majority, 96.9 percent, of their deposits from the non-MSA AA. Deposits from Mason County account for 83.2 percent of total deposits. HNB sourced a substantial minority of deposits, 3.1 percent, from the MSA AA.

The AAs are primarily rural with major employment sectors centered on agriculture and agriculture services. Additional large employment sectors include local schools and hospitals.

Annualized unemployment rates from 2016 to 2018 have improved for all counties in the AAs, but still compares unfavorably to the State of Illinois' 2018 annualized unemployment rate of 4.3 percent. Annualized 2018 unemployment rates in the non-MSA AA were Cass County at 4.5 percent, Fulton County at 6.2 percent, Mason County at 6.0 percent, and Logan County at 4.7 percent. Annualized 2018 unemployment rate in the MSA AA was 4.9 percent for Tazewell County.

High rates of poverty in the non-MSA AA may limit opportunities for lending, particularly to low-income households.

We conducted community contact interviews for each full scope AA.

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

In the non-MSA AA, we contacted a representative of the City of Havana. The contact described the economic condition as good. The contact noted that in the past two years, the downtown area has experienced a revitalization and attracted small businesses as the area becomes more investable.

The contact noted a need for small and micro loans, as well as technical support for small businesses, and further support for agriculture service businesses. The contact also noted a need for the rehabilitation of the deteriorating housing stock in the community.

In the MSA AA, we contacted a representative of the Village of Green Valley. The contact noted the economic conditions of Green Valley to be fair. The contact did not identify any unmet banking or credit needs.

Neither contact identified community development projects in need of bank involvement.

The contacts had no negative perception of HNB. The contacts noted HNB to promote positive relationships within the local communities and in assisting with various city and community projects.

MSA Assessment Area

Table A – Demographic Information of the Assessment Area						
Assessment Area: 2016 MSA 2010 Census						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	2	0.0	0.0	100.0	0.0	0.0
Population by Geography	6,828	0.0	0.0	100.0	0.0	0.0
Housing Units by Geography	2,965	0.0	0.0	100.0	0.0	0.0
Owner-Occupied Units by Geography	2,362	0.0	0.0	100.0	0.0	0.0
Occupied Rental Units by Geography	407	0.0	0.0	100.0	0.0	0.0
Vacant Units by Geography	196	0.0	0.0	100.0	0.0	0.0
Businesses by Geography	248	0.0	0.0	100.0	0.0	0.0
Farms by Geography	63	0.0	0.0	100.0	0.0	0.0
Family Distribution by Income Level	2,146	13.0	18.3	27.9	40.8	0.0
Household Distribution by Income Level	2,769	12.8	15.9	21.5	49.8	0.0
Median Family Income MSA - 37900 Peoria, IL MSA		\$66,038	Median Housing Value			\$119,017
			Median Gross Rent			\$636
			Families Below Poverty Level			4.1%
			Households Below Poverty Level			5.4%
<i>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.</i>						

Table A – Demographic Information of the Assessment Area						
Assessment Area: 2017-2018 MSA 2015 Census						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	2	0.0	0.0	100.0	0.0	0.0
Population by Geography	6,797	0.0	0.0	100.0	0.0	0.0
Housing Units by Geography	2,928	0.0	0.0	100.0	0.0	0.0
Owner-Occupied Units by Geography	2,314	0.0	0.0	100.0	0.0	0.0
Occupied Rental Units by Geography	373	0.0	0.0	100.0	0.0	0.0
Vacant Units by Geography	241	0.0	0.0	100.0	0.0	0.0
Businesses by Geography	233	0.0	0.0	100.0	0.0	0.0
Farms by Geography	59	0.0	0.0	100.0	0.0	0.0
Family Distribution by Income Level	1,998	16.0	18.4	25.8	39.8	0.0
Household Distribution by Income Level	2,687	16.4	15.2	23.6	44.8	0.0
Median Family Income MSA - 37900 Peoria, IL MSA		\$69,329	Median Housing Value			\$123,738
			Median Gross Rent			\$607
			Families Below Poverty Level			4.9%
			Households Below Poverty Level			5.7%
<i>Source: 2015 ACS Census and 2018 D&B Data</i> <i>Due to rounding, totals may not equal 100.0</i> <i>(*) The NA category consists of geographies that have not been assigned an income classification.</i>						

Non-MSA Assessment Area

Table A – Demographic Information of the Assessment Area						
Assessment Area: 2016 Non-MSA 2010 Census						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	21	0.0	14.3	81.0	4.8	0.0
Population by Geography	59,963	0.0	13.0	82.7	4.3	0.0
Housing Units by Geography	26,876	0.0	14.2	81.8	3.9	0.0
Owner-Occupied Units by Geography	19,123	0.0	12.2	83.9	3.9	0.0
Occupied Rental Units by Geography	5,109	0.0	23.1	72.4	4.5	0.0
Vacant Units by Geography	2,644	0.0	11.7	85.0	3.3	0.0
Businesses by Geography	2,522	0.0	22.3	73.9	3.8	0.0
Farms by Geography	481	0.0	3.7	85.2	11.0	0.0
Family Distribution by Income Level	16,337	20.3	20.4	21.9	37.4	0.0
Household Distribution by Income Level	24,232	22.4	17.9	19.4	40.3	0.0
Median Family Income Non-MSAs - IL		\$54,499	Median Housing Value			\$81,631
			Median Gross Rent			\$575
			Families Below Poverty Level			10.5%
			Households Below Poverty Level			12.9%

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: 2017-2018 Non-MSA 2015 Census						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	21	0.0	9.5	81.0	9.5	0.0
Population by Geography	57,639	0.0	12.8	78.1	9.1	0.0
Housing Units by Geography	26,549	0.0	9.3	81.7	8.9	0.0
Owner-Occupied Units by Geography	17,905	0.0	8.8	81.0	10.2	0.0
Occupied Rental Units by Geography	5,640	0.0	13.5	80.3	6.1	0.0
Vacant Units by Geography	3,004	0.0	4.8	88.4	6.8	0.0
Businesses by Geography	2,452	0.0	8.9	82.6	8.5	0.0
Farms by Geography	430	0.0	4.4	84.0	11.6	0.0
Family Distribution by Income Level	15,335	19.5	19.6	23.1	37.8	0.0
Household Distribution by Income Level	23,545	23.6	16.5	18.3	41.7	0.0
Median Family Income Non-MSAs - IL		\$59,121	Median Housing Value			\$81,525
			Median Gross Rent			\$619

	Families Below Poverty Level	9.1%
	Households Below Poverty Level	12.9%
<p>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.</p>		

Scope of Evaluation in Illinois

HNB's two AAs both received a full scope review.

LENDING TEST

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

Based on the full-scope reviews, the bank's lending performance in the State of Illinois is reasonable.

Distribution of Loans by Income Level of the Geography

The bank exhibits reasonable geographic distribution of loans in the State of Illinois.

Small Loans to Farms

Refer to Table S in the state of Illinois 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 farms.

MSA AA:

The analysis did not result in a meaningful analysis as there were no low- or moderate-income CTs in the AA for 2016, 2017, and 2018.

Non-MSA AA:

The analysis did not result in a meaningful analysis, as there were no low-income CTs and too few farms in the moderate-income CTs. The moderate-income CTs in the AA primarily encompass towns, which limits the opportunity for agriculture lending. The demographics for 2016 includes 481 farms of which 3.7 percent, or 18 farms, were located in moderate-income CTs, while the 2017-2018 demographics includes 430 farms of which 4.4 percent, or 19 farms, were located in moderate-income CTs.

Consumer Loans

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

MSA AA:

The analysis did not result in a meaningful analysis, as there were no low- or moderate-income CTs in the AA for 2016, 2017, and 2018.

Non-MSA AA:

The distribution of consumer loans reflects reasonable dispersion.

For 2016, the distribution of consumer loans reflected excellent dispersion. The proportion of lending in moderate-income CTs exceeded the number of households in moderate-income CTs in the AA. There were no low-income CTs in the AA.

For 2017 and 2018, the distribution of consumer loans reflected poor performance. The proportion of lending in moderate-income CTs was less than the number of households in moderate-income CTs in the AA. There were no low-income CTs in the AA. Note that the number of moderate-income CTs in the AA declined from three in 2016, to two in 2017 and 2018.

Distribution of Loans by Income Level of the Borrower

The bank exhibits a reasonable distribution of loans to individuals of different income levels and farms of different sizes, given the product lines offered by the bank.

Small Loans to Farms

Refer to Table T in the state of Illinois 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 farms.

MSA AA:

The distribution of small loans to farms reflects reasonable penetration.

For 2016, the distribution of small loans to farms reflected excellent penetration to farms of different sizes. The proportion of lending to small farms exceeded the percentage of small farms in the AA and was significantly stronger than the aggregate distribution. Note that we could only geocode 14 small farm loans in the AA for 2016. Therefore, this performance received less weight in our analysis.

For 2017 and 2018, the distribution of small loans to farms reflected reasonable penetration to farms of different sizes. The proportion of lending to small farms was near to the percentage of small farms in the AA and was significantly stronger than the aggregate distribution.

Non-MSA AA:

The distribution of small loans to farms reflects reasonable penetration.

For 2016, the distribution of small loans to farms reflected reasonable penetration to farms of different sizes. The proportion of lending to small farms was near to the percentage of small farms in the AA and was significantly stronger than the aggregate distribution.

For 2017 and 2018, the distribution of small loans to farms reflected reasonable penetration to farms of different sizes. The proportion of lending to small farms was near to the percentage of small farms in the AA and was significantly stronger than the aggregate distribution.

Consumer Loans

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

MSA AA:

The distribution of consumer loans reflects excellent penetration.

For 2016, the distribution of consumer loans reflected excellent penetration to households of different incomes. The proportion of lending to low-income households exceeded the percentage of low-income households in the AA. The proportion of lending to moderate-income households was near to the percentage of moderate-income households in the AA. Note that we could only geocode 10 consumer loans in the AA. Therefore, this performance received less weight in our analysis.

For 2017 and 2018, the distribution of consumer loans reflected excellent penetration to households of different incomes. The proportion of lending to low- and moderate-income households significantly exceeded the percentage of low- and moderate-income households in the AA. Note that we could only geocode 16 consumer loans in the AA. Therefore, this performance received less weight in our analysis.

Non-MSA AA:

The distribution of consumer loans reflects excellent penetration.

For 2016, the distribution of consumer loans reflected excellent penetration to households of different incomes. The proportion of lending to low-income households exceeded the percentage of low-income households in the AA. The proportion of lending to moderate-income households significantly exceeded the percentage and moderate-income households in the AA.

For 2017 and 2018, the distribution of consumer loans reflected excellent penetration to households of different incomes. The proportion of lending to low-income households was near to the percentage of low-income households in the AA. The proportion of lending to moderate-income households significantly exceeded the percentage of moderate-income households in the AA.

Responses to Complaints

HNB did not receive any complaints about its performance in helping to meet the credit needs of its AAs during the evaluation period.

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

Time Period Reviewed:	January 1, 2016 to December 31, 2018	
Bank Products Reviewed:	Small farm and consumer loans	
Affiliate(s)	Affiliate Relationship	Products Reviewed
NA	NA	NA
List of Assessment Areas and Type of Examination		
Rating and Assessment Areas	Type of Exam	Other Information
MMSA(s)		
NA	NA	NA
Illinois		
MSA AA (Peoria, Illinois MSA)	Full-scope	Two CTs in southwest Tazewell County
Non-MSA AA	Full-scope	All CTs in Cass, Fulton, and Mason counties, one CT in northwest Logan County

Appendix B: Summary of MMSA and State Ratings

RATINGS	Havana National Bank
Overall Bank:	Lending Test Rating
Havana National Bank	Satisfactory
MMSA or State:	
Illinois	Satisfactory

Appendix C: Definitions and Common Abbreviations

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Median Family Income (MFI): The median income determined by the U.S. Census Bureau every five years and used to determine the income level category of geographies. The median is the point at which half of the families have income above, and half below, a range of incomes. In addition, 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 secured either 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 S - Assessment Area Distribution of Loans to Farms by Income Category of the Geography																			2016
Assessment Area:	Total Loans to Farms				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$ (000)	% of Total	Overall Market	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	Aggregate
MSA	14	1,524	41.2	42	0.0	0.0	0.0	0.0	0.0	0.0	100.0	100.0	100.0	0.0	0.0	0.0	0.0	0.0	0.0
Non-MSA	20	2,379	58.8	137	0.0	0.0	0.0	3.7	5.0	2.2	85.2	90.0	90.5	11.0	5.0	7.3	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 S - Assessment Area Distribution of Loans to Farms by Income Category of the Geography																			2017-2018
Assessment Area:	Total Loans to Farms				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$ (000)	% of Total	Overall Market	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	Aggregate
MSA	22	2,729	48.9	54	0.0	0.0	0.0	0.0	0.0	0.0	100.0	100.0	100.0	0.0	0.0	0.0	0.0	0.0	0.0
Non-MSA	23	2,215	51.1	185	0.0	0.0	0.0	4.4	0.0	0.5	84.0	100.0	90.8	11.6	0.0	8.6	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 T: Assessment Area Distribution of Loans to Farms by Gross Annual Revenues											2016
Assessment Area:	Total Loans to Farms				Farms with Revenues <= 1MM			Farms with Revenues > 1MM		Farms with Revenues Not Available	
	#	\$ (000s)	% of Total	Overall Market	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	% Farms	% Bank Loans
MSA	14	1,524	41.2	42	98.4	100.0	64.3	1.6	0.0	0.0	0.0
Non-MSA	20	2,379	58.8	137	97.3	90.0	37.2	1.0	10.0	1.7	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 T: Assessment Area Distribution of Loans to Farms by Gross Annual Revenues											2017-2018
Assessment Area:	Total Loans to Farms				Farms with Revenues <= 1MM			Farms with Revenues > 1MM		Farms with Revenues Not Available	
	#	\$ (000s)	% of Total	Overall Market	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	% Farms	% Bank Loans
MSA	22	9,409	48.9	54	96.6	86.0	46.3	14.0	12.5	1.7	0
Non-MSA	23	2,215	51.1	185	97.2	96.0	46.5	1.2	4.0	1.6	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 U: Assessment Area Distribution of Consumer Loans by Income Category of the Geography													2016	
Assessment Area:	Total Consumer Loans			Low-Income Tracts		Moderate-Income Tracts		Middle-Income Tracts		Upper-Income Tracts		Not Available-Income Tracts		
	#	\$ (000)	% of Total	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	
MSA	10	69	27.0	0.0	0.0	0.0	0.0	100.0	100.0	0.0	0.0	0.0	0.0	
Non-MSA	27	211	73.0	0.0	0.0	14.5	33.3	81.5	66.7	4.0	0.0	0.0	0.0	

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

Table U: Assessment Area Distribution of Consumer Loans by Income Category of the Geography													2017-2018	
Assessment Area:	Total Consumer Loans			Low-Income Tracts		Moderate-Income Tracts		Middle-Income Tracts		Upper-Income Tracts		Not Available-Income Tracts		
	#	\$ (000)	% of Total	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	
MSA	16	142	41.0	0.0	0.0	0.0	0.0	100.0	100.0	0.0	0.0	0.0	0.0	
Non-MSA	23	234	59.0	0.0	0.0	9.9	4.3	80.9	69.6	9.2	26.1	0.0	0.0	

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

Table V - Assessment Area Distribution of Consumer Loans by Income Category of the Borrower													2016	
Assessment Area:	Total Consumer Loans			Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Not Available-Income Borrowers		
	#	\$ (000)	% of Total	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	
MSA	10	69	27.0	12.8	50.0	15.9	10.0	21.5	20.0	49.8	20.0	0.0	0.0	
Non-MSA	27	211	73.0	22.4	25.9	17.9	37.0	19.4	14.8	40.3	11.1	0.0	11.1	

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

Table V - Assessment Area Distribution of Consumer Loans by Income Category of the Borrower													2017-2018	
Assessment Area:	Total Consumer Loans			Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Not Available-Income Borrowers		
	#	\$ (000)	% of Total	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	
MSA	16	142	41.0	16.4	43.8	15.2	31.3	23.6	12.5	44.8	12.5	0.0	0.0	
Non-MSA	23	234	59.0	23.6	21.7	16.5	39.1	18.3	30.4	41.7	8.7	0.0	0.0	

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