



PUBLIC DISCLOSURE

June 19, 2017

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

The First National Bank of Liberal
Charter Number 6720

1700 North Lincoln Avenue
Liberal, KS 67901

Office of the Comptroller of the Currency

2959 North Rock Road, Suite 510
Wichita, KS 67226

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: Satisfactory

The Lending Test is rated: Satisfactory.

The Community Development Test is rated: Satisfactory.

- The First National Bank of Liberal (FNB) loan-to-deposit ratio is reasonable given the bank's size, financial condition, and the credit needs of the assessment area (AA).
- A majority of FNB's loans are located within the AA.
- The borrower distribution of loans to businesses and farms of different sizes reflects a reasonable penetration of the AA small farms and businesses.
- FNB demonstrated reasonable dispersion to businesses and farms in moderate-income tracts in the AA.
- FNB demonstrated adequate responsiveness to community development needs.

Definitions and Common Abbreviations

The following terms and abbreviations are used throughout 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. 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 in specified income categories as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the MA/assessment area.

Census Tract (CT): A small subdivision of metropolitan and other densely populated counties. Census tract boundaries do not cross county lines; however, they may cross the boundaries of metropolitan areas. Census tracts usually have between 2,500 and 8,000 persons, and their physical size varies widely depending upon population density. Census tracts are designed to be homogeneous with respect to population characteristics, economic status, and living conditions to allow for statistical comparisons.

Community Development: 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; activities that revitalize or stabilize low- or moderate-income geographies, distressed or underserved nonmetropolitan middle-income geographies, or designated disaster areas; or loans, investments, and services that support, enable or facilitate projects or activities under HUD Neighborhood Stabilization Program criteria that benefit low-, moderate-, and middle-income individuals and geographies in the bank's assessment area(s) or outside the assessment area(s) provided the bank has adequately addressed the community development needs of its assessment area(s).

Community Reinvestment Act (CRA): the statute that requires the OCC to evaluate a bank's record of meeting the credit needs of its local community, 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, home equity 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 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), loan pricing, the lien status of the collateral, any requests for preapproval, and loans for manufactured housing.

Home Mortgage Loans: Such loans include home purchase, home improvement and refinancings, as defined in the HMDA regulation. These include loans for multifamily (five or more families) dwellings, manufactured housing and one-to-four family dwellings other than manufactured housing.

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 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 income that is less than 50 percent of the area median income, or a median family income that is less than 50 percent, in the case of a geography.

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 MA/assessment area.

Median Family Income (MFI): The median income determined by the U.S. Census Bureau every ten years and used to determine the income level category of geographies. Also, the median income determined by the Department of Housing and Urban Development 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 it and half below it.

Metropolitan Area (MA): Any metropolitan statistical area or metropolitan division, as defined by the Office of Management and Budget and any other area designated as such by the appropriate federal financial supervisory agency.

Metropolitan Division: As defined by Office of Management and Budget, a county or group of counties within a Metropolitan Statistical Area that contains a population of at least 2.5 million. A Metropolitan Division consists of one or more counties that represent an employment center or centers, plus adjacent counties associated with the main county or counties through commuting ties.

Metropolitan Statistical Area: An area, defined by the Office of Management and Budget, as having at least one urbanized area that has a population of at least 50,000. The Metropolitan Statistical Area comprises the central county or counties, plus adjacent outlying counties having a high degree of social and economic integration with the central county 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.

Other Products: Includes any unreported optional category of loans for which the institution collects and maintains data for consideration during a CRA examination. Examples of such activity include consumer loans and other loan data an institution may provide concerning its lending performance.

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.

Rated Area: A rated area is a state or multi-state metropolitan 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 area, the institution will receive a rating for the multi-state metropolitan 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) and the Thrift Financial Reporting (TFR) 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 One 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.

Description of Institution

First National Bank of Liberal (FNB) is a \$311 million bank headquartered in Liberal, KS. FNB solely operates in the southwest region of Kansas. In addition to the main branch, FNB operates four branches and ten automated teller machines (ATMs). Two ATMs in Liberal accept deposits, while the remaining eight solely dispense cash. The bank is wholly owned by Kansas Bank Corporation, a one-bank holding company, which is also headquartered in Liberal, KS. The holding company has \$29 million in total assets as of December 31, 2016. FNB has no affiliates requiring consideration for CRA activities. Additionally, management has not acquired or merged with any other institutions. Management has not opened or closed any branches during this evaluation period.

FNB is a full service bank offering a range of commercial, agricultural, real estate, and consumer loan products. As of March 31, 2017, FNB's net loans represent 55 percent of total assets. FNB's \$174 million loan portfolio consists of 60 percent commercial loans, 26 percent agricultural loans, 8 percent of loans to individuals, and 6 percent of other loans and leases. As of March 31, 2017, the bank's tier one capital totaled \$30 million.

No legal, financial, or other matters impede FNB's ability to meet the credit needs of the AA. The Office of the Comptroller of the Currency last evaluated FNB's CRA performance on June 16, 2014. FNB received an overall rating of "Satisfactory" under the Small Bank Performance Standards.

FNB has designated one AA that includes all of Seward, Stevens, Meade, and Stanton counties. The designated AA is not a Metropolitan Statistical Area. The AA contains ten census tracts comprising one upper income, seven middle income, two moderate income, and no low-income tracts. Meade and Stanton Counties were identified as a rural underserved middle-income non-metropolitan tract for the evaluation period. The delineation of the AA does not reflect any illegal discrimination, or arbitrarily exclude any distressed or underserved non-MSA middle-income tracts.

The 2010 U.S. Census population of the AA was 35,486. Approximately, 72 percent of the population is between 16 and 65 years old, while approximately 11 percent of the population is older than 65 years old. The income distribution for families within the AA is 22 percent low income, 20 percent moderate income, 23 percent middle income, and 35 percent upper income. Of the 12,031 households, 25 percent receive social security benefits, 2 percent receive public assistance, and 14 percent have income below poverty levels. The 2016 Weighted Average of Housing and Urban Development updated Median Family Income is \$57,300.

Housing units in the AA consist of 79 percent one-to-four family units, 6 percent multi-family, and 15 percent mobile homes. The Weighted Average of Median Housing value from the 2010 U.S. Census data is \$79,283, with 61 percent of units being owner-occupied.

Based on the Federal Deposit Insurance Corporation's (FDIC) deposit market share report, dated June 30, 2016: nine other financial institutions maintain 11 offices within

the AA. FNB ranks first in deposit market share with 33 percent of deposits inside the AA. The closest competitor retained 12 percent of deposits within the AA. The top four banks, including FNB, retain 67 percent of all deposits within the AA.

Scope of the Evaluation

Evaluation Period/Products Evaluated

FNB's CRA performance was evaluated under Intermediate Small Bank (ISB) criteria. FNB was evaluated under the ISB criteria because its asset size exceeded \$307 million, but remains below \$1.226 billion. The ISB procedures evaluate the bank's CRA activities based on two broad performance criteria: a lending test and a community development (CD) test. The lending test evaluates FNB's lending activities based on five performance criteria. The CD test includes an evaluation of the bank's performance relative to providing CD loans, investments, and services. The lending test and the CD test are weighted equally in determining the bank's overall CRA rating.

The evaluation period for the lending test was January 1, 2015 through June 2, 2017. In evaluating FNB's lending performance, we determined the bank's primary products are commercial and agricultural loans. As a result, we sampled 20 commercial loans and 20 agricultural loans. The loans for this evaluation were compared to the 2010 Census demographic data.

The CD test includes a review of CD loans, investments and financial services made in FNB's AA that have the primary purpose of community development. The evaluation period of the CD test covers June 17, 2014 through June 19, 2017.

Data Integrity

We determined the accuracy of the data used for the evaluation while onsite. FNB is not a Home Mortgage Disclosure Act filer nor a reporter of CRA loans. During our evaluation, we did request additional information on community development loans, investments, and services.

Selection of Areas for Full-Scope Review

A full scope review was conducted for FNB's one assessment area. The assessment area includes four counties in southwest Kansas. FNB operates in non-metropolitan statistical areas, and the entire AA is a contiguous configuration. Please refer to appendix A for more information.

Ratings

The bank's overall rating is based on the full-scope review.

Discriminatory or Other Illegal Credit Practices Review

Pursuant to 12 C.F.R. §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 assessment area 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 Consumer Financial Protection Bureau, as applicable.

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

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

Conclusions with Respect to Performance Tests

FNB's performance under the lending test evaluates five performance criteria: loan-to-deposit (LTD) ratio, percentage of lending-related activity in the AA, lending to borrowers of different incomes and to businesses of different sizes, geographic distribution of loans, and responses to CRA-related complaints.

We sampled commercial and agricultural loans to evaluate lending to borrowers of different incomes and to businesses of different sizes, and geographic distribution of loans. Our sample consisted of 20 commercial loans and 20 agricultural loans originated or purchased from January 1, 2015 through June 2, 2017.

LENDING TEST

FNB's performance under the lending test is rated Satisfactory.

Loan-to-Deposit Ratio

FNB's level of lending is reasonable, given the bank's size, financial condition, and credit needs of their assessment areas. During the period evaluation from April 1, 2015 through March 31, 2017, the bank's average LTD ratio was 60 percent, which fluctuated between 55.3 and 63.8 percent. Five competitors within FNB's assessment area had a quarterly LTD average of 59 percent over the same period. Additionally, the peer bank quarterly LTD average fluctuated between 34 and 71 percent.

Lending in Assessment Area

FNB originated the majority of its primary loan products to borrowers inside their AA. Specifically, based on our sample, examiners found that management granted 70 percent of the total number and 64 percent of the dollar volume to borrowers within their AA.

Lending to Borrowers of Different Incomes and to Businesses of Different Sizes

FNB demonstrated reasonable penetration to farms and businesses of different sizes. Penetration is reasonable, albeit below census demographics for both commercial and agricultural borrowers. Due to FNB's deposit market share, size, and relationships with banks that they purchase participations from, management is able to originate larger loans, often to larger borrowers.

Agricultural lending to farms with revenues less than or equal to \$1 million is reasonable. The agriculture loan sample resulted in 75 percent by number of loans and 67 percent by dollar volume granted to borrower with annual revenues less than or equal to \$1 million. This is reasonable, although lower than the census demographic. Management indicated grain producers had grain carryover to defer income to control their taxable income, which has inflated their gross annual revenues.

| Table 2A - Borrower Distribution of Loans to Farms in AA | | | | |
|---|--------------|--------------|---------------------|-------|
| Business Revenues (or Sales) | ≤\$1,000,000 | >\$1,000,000 | Unavailable/Unknown | Total |
| % of AA Businesses | 95 | 4 | 1 | 100% |
| % of Bank Loans in AA by # | 75 | 25 | 0 | 100% |
| % of Bank Loans in AA by \$ | 67 | 33 | 0 | 100% |

Source: Loan sample; Dun and Bradstreet data.

Commercial lending to business with revenues less than or equal to \$1 million is reasonable. The commercial loan sample resulted in 60 percent by number of loans and 45 percent by dollar volume granted to borrowers with annual revenues less than or equal to \$1 million. This is reasonable, although lower than the census demographic. However, one commercial borrower's annual revenue was unknown, and accounted for 26 percent of the sample by dollar volume. Additionally, management indicated smaller commercial borrowers have suffered due to the decline in oil and gas production, which thwarted loan demand from this segment. Many of their small oil and gas production customers are no longer in business.

| Table 2A - Borrower Distribution of Loans to Businesses in AA | | | | |
|--|--------------|--------------|---------------------|-------|
| Business Revenues (or Sales) | ≤\$1,000,000 | >\$1,000,000 | Unavailable/Unknown | Total |
| % of AA Businesses | 73 | 7 | 20 | 100% |
| % of Bank Loans in AA by # | 60 | 35 | 5 | 100% |
| % of Bank Loans in AA by \$ | 45 | 29 | 26 | 100% |

Source: Loan sample; Dun and Bradstreet data.

Geographic Distribution of Loans

FNB's dispersion of agricultural and commercial loans within the AA is reasonable. The AA contains two moderate-income census tracts, both located in Seward County, Kansas.

FNB did not grant any farm loans to borrowers in the moderate-income census tracts. However, this is reasonable, as the two moderate-income census tracts are located within the city of Liberal, KS. As a result, this limits management's ability to originate farm loans. AA demographics note only 3 percent of farm business are located in the moderate-income census tracts.

| Table 3A - Geographic Distribution of Loans to Farms in AA | | | | | | | | |
|--|---------------|----------------------|---------------|----------------------|---------------|----------------------|---------------|----------------------|
| Census Tract Income Level | Low | | Moderate | | Middle | | Upper | |
| Loan Type | % of AA Farms | % of Number of Loans | % of AA Farms | % of Number of Loans | % of AA Farms | % of Number of Loans | % of AA Farms | % of Number of Loans |
| Farm Loans | 0 | 0 | 3 | 0 | 93 | 95 | 4 | 5 |

Source: Loan sample; Dun and Bradstreet data.

FNB granted 20 percent of the loans in the commercial sample to borrowers in the moderate-income census tracts. This is reasonably near the AA demographics, as 26 percent of the business within the overall AA are located in moderate-income census tracts.

| Table 3A - Geographic Distribution of Loans to Businesses in AA | | | | | | | | |
|---|--------------------|----------------------|--------------------|----------------------|--------------------|----------------------|--------------------|----------------------|
| Census Tract Income Level | Low | | Moderate | | Middle | | Upper | |
| Loan Type | % of AA Businesses | % of Number of Loans | % of AA Businesses | % of Number of Loans | % of AA Businesses | % of Number of Loans | % of AA Businesses | % of Number of Loans |
| Commercial | 0 | 0 | 25 | 20 | 59 | 35 | 16 | 45 |

Source: Loan sample; Dun and Bradstreet data.

Responses to Complaints

FNB has not received any CRA-related complaints during the evaluation period.

COMMUNITY DEVELOPMENT TEST

FNB's performance under the CD Test is rated Satisfactory.

Number and Amount of Community Development Loans

FNB had excellent responsiveness and originated 22 loans totaling approximating \$4 million. CD loans represented 13 percent of tier one capital as of March 31, 2017. The tracts in Meade County are considered distressed and underserved and FNB provided \$1.7 million in loans to two entities to create full time jobs. A \$415,000 loan provides housing to LMI individuals and is supported by Low Income Housing Tax Credits. FNB

also provided four loans totaling \$410,000 to a new facility for alcohol and drug treatment, which includes a woman's shelter, and supports new jobs.

Number and Amount of Qualified Investments

FNB demonstrated poor responsiveness to CD investments. For the evaluation period, there were 32 donations totaling \$18,829. Of this amount, \$12,600 was a bank-in-kind donation which provided office space within the bank for United Way during the evaluation period. The remaining donations were to support low- to moderate-income youth programs.

Extent to Which the Bank Provides Community Development Services

FNB provided an adequate level of CD services in the AA. Eight different employees provided services to 14 different CD organizations. FNB was responsive to community needs by providing community services and promoting economic development. In aggregate, 1,034 hours were logged for community services.

Responsiveness to Community Development Needs

The availability of services to low- and moderate-income individuals is adequate. Two of the five branches are located in moderate-income tracts, which generally increases access to financial services to low- and moderate-income individuals. FNB offers online banking that can be accessed by computer, mobile applications, mobile web banking, and text messaging.

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 metropolitan and nonmetropolitan areas 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 | Lending Test (excludes CD loans): (01/01/2015 to 06/02/2017) Investment and Service Tests and CD Loans: (01/01/2015 to 06/19/2017) | |
| Financial Institution | Products Reviewed | |
| The First National Bank of Liberal Liberal, Kansas | Farm and Business loans | |
| Affiliate(s) | Affiliate Relationship | Products Reviewed |
| No affiliate lending or products were reviewed. | Not Applicable | Not Applicable |
| List of Assessment Areas and Type of Examination | | |
| Assessment Area | Type of Exam | Other Information |
| Kansas Non-MSA #9656, #9657, #9658, #9659, #9660, #9651, #9652, #9666, #9667, #9641 | Full Scope | Farm and Business Loans |

Appendix B: Community Profiles for Full-Scope Areas

Kansas AA

| Demographic Information for Full-Scope Area | | | | | | |
|---|--------|------------|---------------------------------|---------------|--------------|------------|
| Demographic Characteristics | # | Low % of # | Moderate % of # | Middle % of # | Upper % of # | NA* % of # |
| Geographies (Census Tracts/BNAs) | 10 | 0.00 | 20.00 | 70.00 | 10.00 | 0.00 |
| Population by Geography | 35,486 | 0.00 | 32.67 | 54.49 | 12.85 | 0.00 |
| Owner-Occupied Housing by Geography | 8,162 | 0.00 | 24.86 | 61.22 | 13.92 | 0.00 |
| Businesses by Geography | 1,935 | 0.00 | 25.63 | 58.66 | 15.71 | 0.00 |
| Farms by Geography | 379 | 0.00 | 2.90 | 93.40 | 3.69 | 0.00 |
| Family Distribution by Income Level | 8,859 | 21.59 | 19.89 | 23.28 | 35.24 | 0.00 |
| Distribution of Low- and Moderate-Income Families throughout AA Geographies | 3,675 | 0.00 | 40.11 | 50.67 | 9.22 | 0.00 |
| Median Family Income = \$52,419 | | | | | | |
| HUD Adjusted Median Family Income for 2016 = \$57,300 | | | Median Housing Value = \$79,283 | | | |
| Households Below the Poverty Level = 14% | | | Unemployment Rate = 3.16% | | | |

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2010 U.S. Census, and 2016 HUD updated MFI.

FNB has one assessment area located in Kansas. The assessment area includes all of Meade, Seward, Stanton, and Stevens counties. The AA economy is dependent upon the agricultural industry. The local agriculture economy is currently distressed due to low commodity prices, coupled with weather conditions that have hindered crop production. Some oil and natural gas production and ancillary service industry companies have left the AA due to low prices since 2014. Commercial development is currently seeing growth through three new hotels, four new restaurants, and a new convention center. Major employers within the AA are National Beef, Unified School District 480, Seward County Community College, and Southwest Medical Center. The US Bureau of Labor Statistics reported an April 2017 unemployment rate of 3.5 percent for the state of Kansas. The April 2017 unemployment rates for Seward, Stevens, Meade, and Stanton were 3.9, 3.8, 2.8, and 2.7 percent, respectively.

FNB's primary business focus centers on commercial and agricultural lending products. The primary lending products by dollar volume originated or purchased since the

previous CRA examination are commercial and agricultural loans. Commercial loans account for 37 percent of originations by the total number of loans and 53 percent by dollar volume of loans originated or purchased during the evaluation period. Agricultural loans account for 27 percent by the total number of loans and 42 percent by dollar volume of loans originated or purchased during the same period.

FNB has five full-service branches and ten automated teller machines within their facility network. Two of the ten ATMs accepting deposits while the remaining eight solely dispense cash. Based on the Federal Deposit Insurance Corporation's (FDIC) most recent deposit market share report, dated June 30, 2016, nine other financial institutions maintain offices within the AA. FNB ranks first in deposit market share with 33 percent of deposits inside the AA. Some of FNB's major competitors in the area include Bank of Beaver City, The Community Bank, and Sunflower Bank.

There are many opportunities for participation by local financial institutions. There are several commercial development projects either recently completed or underway in Liberal. Recent construction includes new hotels, restaurants, and new housing developments. These new developments within Liberal should also contribute to increased consumer lending opportunities for financial institutions. Our community contact for the examination expects opportunities to increase. The recent commercial expansion has brought opportunities to the local financial institutions, and they are meeting the needs of the community. As the housing developments progress, residential lending will also provide opportunities for the local lenders.