PUBLIC DISCLOSURE

March 29, 2021

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Green Dot Bank
RSSD # 243375

1675 North Freedom Boulevard (200 West)
Provo, Utah, 84604

Federal Reserve Bank of San Francisco
101 Market Street
San Francisco, California 94105

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 the 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.

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INSTITUTION RATING

Institution's Community Reinvestment Act (CRA) Rating

Green Dot Bank is rated "Outstanding"

Green Dot Bank's (GDB) CRA performance reflects an outstanding record of helping meet the credit needs of its assessment area for the period of January 1, 2018, through December 31, 2020. The bank's approved CRA Strategic Plan (Plan) clearly defines community development service goals, as well as combined lending and investment goals. GDB exceeded its plan goals for a satisfactory rating and substantially achieved its plan goals for an outstanding CRA rating during the review period. Major factors supporting the institution's rating include:

- Outstanding levels of combined small business loans, community development loans, and community development investments and donations that helped to address the assessment area's need for affordable housing and provided support for small businesses;
- Outstanding levels of community development services to organizations that provide assistance to small businesses, as well as organizations that provide financial education and housing assistance to low- and moderate-income (LMI) individuals and/or families; and
- No complaints were received relating to its CRA performance.

There was no evidence of violations of the substantive provisions of anti-discrimination and fair lending laws and regulations, or of other credit practice rules, laws or regulations identified during the most recent consumer compliance examination conducted on September 14, 2020.

INSTITUTION

Description of Institution

GDB, doing business as Bonneville Bank, is a single-office community bank based in Provo, Utah. GDB is a wholly-owned subsidiary of Green Dot Corporation, which acquired Bonneville Bancorp on December 8, 2011. GDB was operating with total assets of $3.27 billion as of December 31, 2020.

GDB is a full-service bank that primarily provides a range of consumer products; however, the bank also offers fintech services including facilitation of consumer banking and payment options through partnerships in such industries as payroll and tax services, as well as a substantial payments services platform. The bank's strategic focus continues to be the issuance of general purpose reloadable prepaid debit cards targeted to consumers through the bank's nationwide retailer network, as well as online, and has expanded to include fintech partnerships. Consumer products offered by the branch office also include personal unsecured installment loans; lines of credit; new and used vehicle loans; and various checking, savings, and certificate of deposit products. Commercial products include real estate-secured term loans; lines of credit; unsecured loans; and numerous checking, savings, certificates of deposit, and money market accounts.

Exhibit 1 below depicts the bank's loan portfolio, as stated in the December 31, 2020, Consolidated Reports of Condition and Income.

EXHIBIT 1
LOANS AND LEASES AS OF DECEMBER 31, 2020

Loan Type	$ ('000s)	%
Commercial/Industrial & Non-Farm Non-Residential Real Estate	15,593	45.5
Consumer Loans & Credit Cards	15,324	44.8
All Other	2,500	7.3
Secured by 1-4 Family Residential Real Estate	825	2.4
Total (Gross)	34,242	100.0

The bank's sole assessment area remains unchanged from the prior CRA evaluation and consists of the Provo-Orem, Utah Metropolitan Statistical Area (MSA). The MSA is comprised of two contiguous counties: Utah County and Juab County.

GDB was assigned a rating of satisfactory at its prior CRA examination by the Federal Reserve Bank of San Francisco using the *Interagency Strategic Plan CRA Examination Procedures.* The bank faces no legal or financial impediments that would prevent it from helping to meet the credit needs of its assessment area consistent with its business strategy, size, financial capacity and local economic conditions.

Scope of Examination

GDB was evaluated under the *Interagency Strategic Plan CRA Examination Procedures.* The strategic plan utilized during the evaluation was approved by the Board of Governors of the Federal Reserve System on April 9, 2018. The bank's Plan outlines measurable goals for achieving both satisfactory and outstanding ratings in two categories: (1) cumulative small business lending, community development lending, investments and donations, and (2) community development services. The goals outlined in the bank's Plan are annualized for each year of the review period. As part of the evaluation, a performance context was developed to identify the credit needs, opportunities and local market conditions within the assessment area. Three community representatives were contacted during the development of this performance context. The contacts represented organizations working in economic and community development.

Description of Provo-Orem Assessment Area

The Provo-Orem assessment area consists of Juab and Utah counties in their entireties and comprises the Provo-Orem, Utah MSA. The area is bordered by Tooele and Salt Lake counties to the north; Wasatch and Duchesne counties to the east; Carbon, Sanpete, and Millard counties to the south; and the state of Nevada to the west of Juab County. As of 2019, the assessment area was home to 648,252 people.[1]

The two-county assessment area had 12 Federal Deposit Insurance Corporation-insured commercial institutions operating 82 offices as of June 30, 2020.[2] GDB operated a single branch in the assessment area with total reported deposits of $2.2 billion, ranking GDB first in the market with 19.47 percent of the deposit market share.[3]

Exhibit 2 on the following page presents key demographic and business information used to help develop a performance context for the assessment area.

[1] U.S. Census Bureau, QuickFacts, Population Estimates, July 1, 2019; available from: www.census.gov/quickfacts/.
[2] Federal Deposit Insurance Corporation, Deposit Market Share Report, June 30, 2020; available from: https://www7.fdic.gov/sod/sodMarketBank.asp?barItem=2.
[3] Ibid.

Exhibit 2 Assessment Area Demographics Provo-Orem Assessment Area 2020 FFIEC Census And 2020 Dun And Bradstreet Data								
Income Categories	**Tract Distribution**		**Families by Tract Income**		**Families < Poverty Level as % of Families by Tract**		**Families by Family Income**	
	#	**%**	**#**	**%**	**#**	**%**	**#**	**%**
Low-income	10	7.7	7,165	5.7	2,648	37.0	24,247	19.4
Moderate-income	17	13.1	16,878	13.5	3,115	18.5	22,314	17.9
Middle-income	61	46.9	63,236	50.7	5,055	8.0	27,848	22.3
Upper-income	41	31.5	37,457	30.0	1,751	4.7	50,327	40.3
Unknown-income	1	0.8	0	0.0	0	0.0	0	0.0
Total AA	130	100.0	124,736	100.0	12,569	10.1	124,736	100.0
Income Categories	**Housing Units by Tract**	**Housing Types by Tract**						
		Owner-Occupied			**Rental**		**Vacant**	
		#	**%**	**%**	**#**	**%**	**#**	**%**
Low-income	11,538	1,205	1.2	10.4	9,855	85.4	478	4.1
Moderate-income	24,768	10,042	9.9	40.5	13,178	53.2	1,548	6.3
Middle-income	78,427	55,512	54.5	70.8	19,772	25.2	3,143	4.0
Upper-income	44,230	35,162	34.5	79.5	6,844	15.5	2,224	5.0
Unknown-income	0	0	0.0	0.0	0	0.0	0	0.0
Total AA	158,963	101,921	100.0	64.1	49,649	31.2	7,393	4.7
Income Categories	**Total Businesses by Tract**		**Businesses by Tract & Revenue Size**					
			Less Than or Equal to $1 Million		**Greater than $1 Million**		**Revenue Not Reported**	
	#	**%**	**#**	**%**	**#**	**%**	**#**	**%**
Low-income	1,240	4.9	1,107	4.8	116	7.2	17	4.9
Moderate-income	3,280	13.0	2,993	12.9	253	15.7	34	9.7
Middle-income	12,502	49.5	11,463	49.2	899	55.8	140	40.1
Upper-income	8,218	32.6	7,716	33.1	344	21.3	158	45.3
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	25,240	100.0	23,279	100.0	1,612	100.0	349	100.0
% of Total Businesses				92.2		6.4		1.4
2020 Adjusted Median Family Income[4]								
Juab County			$80,400					
Utah County			$80,400					

Economic Conditions

The economy in the Provo-Orem assessment area expanded during the review period prior to the economic downturn brought on by the COVID-19 pandemic in 2020, and the subsequent economic recovery. The primary economic drivers in the area were technology and higher education.[5] Through

[4] FFIEC Adjusted Median Family Income; available from: https://www.ffiec.gov/Medianincome.htm.
[5] Moody's Precis Report, Provo-Orem UT, March 2019.

2019, annualized net hiring in the area was above the state, western U.S., and national averages.[6] Although the job gains were broad-based, hiring in technology-based industries was particularly strong.[7] The tech industry in the area was anchored by a dynamic startup culture and diverse cluster of existing software and information technology firms.[8] The metro area has a number of factors that contribute to its competitive advantage over other tech hubs, such as Silicon Valley and Seattle, including the large pool of highly educated younger-aged workers, abundant venture capital, and lower business costs compared to the nation and significantly less costly than the previously mentioned hubs.[9] Payrolls in the high-tech sector increased by 8 percent between 2018, and 2019.[10]

In addition to technology, higher education was another economic driver. The two largest employers in the area were Brigham Young University and Utah Valley University.[11] Utah Valley University was the state's largest public university and provided a deep talent pool for the tech and other knowledge-based industries in the area.[12] Early in the review period, the increased state spending of $500 million allocated for higher education helped to bolster Utah Valley University.[13] In 2018, in response to a 7 percent increase in enrollment, Utah Valley University invested in the construction of upgrades and expansions of university facilities and in turn, helped spur growth in the private economy.[14] In 2020, enrollment increased at Brigham Young University by 6 percent, primarily due to The Church of Jesus Christ of Latter-day Saints' decision to return many missionaries back to Utah during the pandemic.[15] However, Utah Valley University had a decrease in enrollment during the pandemic and faced declining revenues.[16]

In the area's real estate market, there was increased demand and limited supply of houses.[17] Demand for housing lifted house price appreciation by 11 percent between 2018 and 2019, the fastest increase in the state as of 2019.[18] Although, with housing prices at an all-time high in the area, affordability started to erode.[19] The trends in limited housing affordability in the area, for renter households in particular, is described in further detail below. Overall, the area experienced economic expansion during the review period prior to the pandemic, with growth anchored by the technology and higher education industries.

After the onset of the pandemic in 2020, some indicators showed a promising recovery of the area's economy. Although employment declined by 10 percent between February and April 2020, nearly all jobs lost were recouped by October of the same year.[20] The technology sector suffered less downsizing due to the area's above-average share of white-collar workers.[21] Additional trends related to small business lending, unemployment, housing, and poverty in the area during the review period are discussed below.

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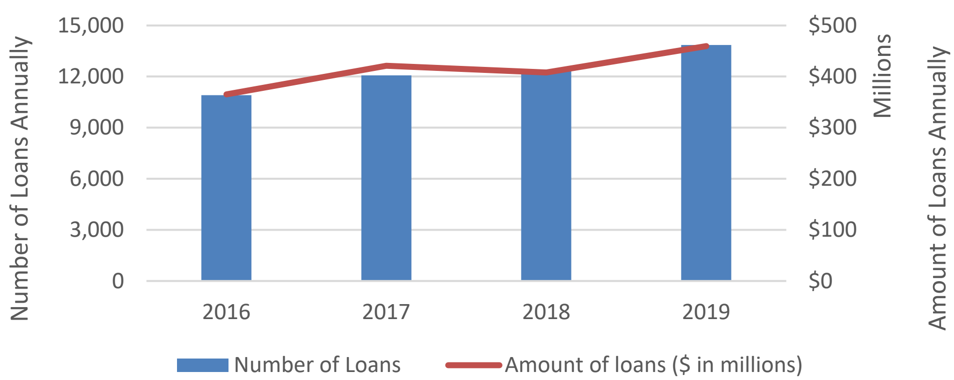
6 Moody's Precis Report, Provo-Orem UT, March 2019.
7 Ibid.
8 Ibid.
9 Ibid.
10 Ibid.
11 Moody's Precis Report, Provo-Orem UT, November 2020.
12 Moody's Precis Report, Provo-Orem UT, November 2018.
13 Ibid.
14 Ibid.
15 Moody's Precis Report, Provo-Orem UT, November 2020.
16 Ibid.
17 Moody's Precis Report, Provo-Orem UT, March 2019.
18 Ibid.
19 Ibid.
20 Moody's Precis Report, Provo-Orem UT, November 2020.
21 Moody's Precis Report, Provo-Orem UT, November 2020.

As depicted in Exhibit 3 below, small business lending from banks subject to the CRA trended upward during the review period. In 2019, there were 13,853 loans, totaling $460 million, made to small businesses in the assessment area. Lending to small businesses played a critical role in the economy given that small businesses accounted for 92.2 percent of all businesses in the assessment area, as noted in Exhibit 2. In response to the pandemic, the federal Paycheck Protection Program (PPP) was launched to aid small businesses during the pandemic-associated shelter-in-place orders and resulted in increased lending to small businesses and farms in the first half of 2020.[22] Nationwide, small business and farm lending by small banks grew on average by 23 percentage points, while lending by medium and large banks increased by 38 and 35 percentage points, respectively.[23] The growth in lending suggests small businesses and farms turned to banks for funding and support to respond to the pandemic's negative effect on consumer and business activity in 2020.[24] In Juab and Utah counties, over 9,000 PPP loans in the amount of less than $1 million were made and approximately 80,000 jobs were self-reported to benefit from the loans made between April 3, 2020 and August 8, 2020.[25] According to the borrower firms that elected to report their business sector, most loans under $1 million were made to businesses in the professional, scientific, and technical services sector, followed by the construction sector.[26]

Exhibit 3

Loans to Small Businesses in Assessment Area[27]
2016-2019



During the review period the unemployment rates in the area and the state decreased at the same rate, as depicted in Exhibit 4 on the following page.[28] In 2019, the unemployment rates reached the lows of 2.5 percent in Juab County and 2.4 percent in Utah County.

[22] Federal Reserve Bank of San Francisco, Economic Letter, Small Business Lending during COVID-19, November 23, 2020; available from: https://www.frbsf.org/economic-research/publications/economic-letter/2020/november/small-business-lending-during-covid-19/.

[23] Ibid.

[24] Ibid.

[25] Small Business Administration, Paycheck Protection Program Loan Data; available from: https://www.sba.gov/funding-programs/loans/coronavirus-relief-options/paycheck-protection-program. *[Borrower firms self-reported data and had the option to abstain from reporting certain details of the loan application, therefore data may not capture some details of each loan made.]*

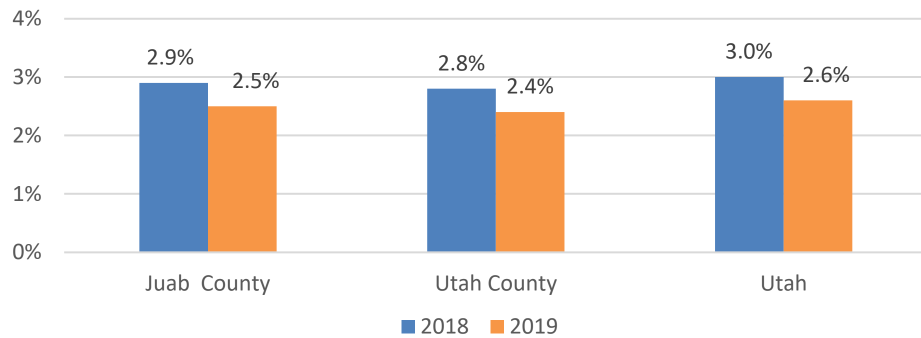
[26] Ibid.

[27] Aggregate CRA Small Business data reports; available from: https://www.ffiec.gov/craadweb/aggregate.aspx.

[28] At the time of this analysis, 2020 annual unemployment rate by county was not available.

Lower unemployment rates in the state relative to the nation indicated potential for Utah's ability to weather continued economic implications of the pandemic. Starting in March 2020, the unemployment rates in the area increased and peaked in April 2020, reaching 5.7 percent in Juab County and 7.9 percent in Utah County.[29] Although the unemployment rate for the remaining months of 2020 fluctuated, the state's 4.5 percent unemployment rate in July 2020 was the country's lowest and well below the national average of 10.2 percent.[30] The state's economic resiliency late in 2020 was evident in another measure, where seven of the state's 10 major industries added employment in December.[31] The trade, transportation and utilities industries had the largest gains, totaling 14,000 jobs, followed by the construction industry that had 6,900 more jobs year-over-year.[32]

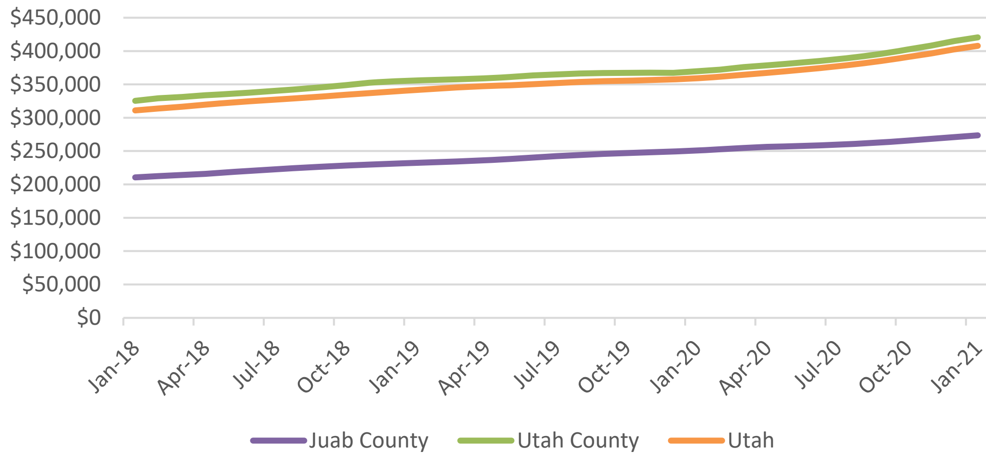
Exhibit 4
Unemployment Rate[33, 34]
2018-2019



Median home prices in the area increased during the review period, as depicted in Exhibit 5 on the following page. By January 2021, the median home price was $273,708 in Juab County and $420,668 in Utah County. Median home prices in Utah County and the state of Utah were similar during the review period and above the median home price in Juab County. Overall, area median home prices steadily increased in both Juab and Utah counties at a similar rate as the statewide median home price. The area had relatively less cost burdened homeowners (i.e., homeowners that spend 30 percent or more of their income on monthly owner costs). There were 24 percent of cost burdened homeowners in Juab County and 25 percent in Utah County, compared to the national average of 28 percent.[35]

[29] Aggregate CRA Small Business data reports; available from: https://www.ffiec.gov/craadweb/aggregate.aspx.
[30] The Salt Lake Tribune, Utah's unemployment rate in July was the lowest in the country, August 21, 2020; available from: https://www.sltrib.com/news/2020/08/21/utahs-unemployment-rate/.
[31] The Salt Lake Tribune, Despite the Pandemic, Utah ended 2020 with more jobs. How did that happen?, January 22, 2021; available from: https://www.sltrib.com/news/business/2021/01/22/despite-pandemic-utah/.
[32] Ibid.
[33] U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics by County; available from: https://www.bls.gov/lau/.
[34] 2020 Annual Unemployment rate data was not available at the time of writing.
[35] Prosperity Now Scorecard, Juab and Utah counties, UT; available from: https://scorecard.prosperitynow.org.

Exhibit 5
Median Home Prices[36]
January 2018-January 2021



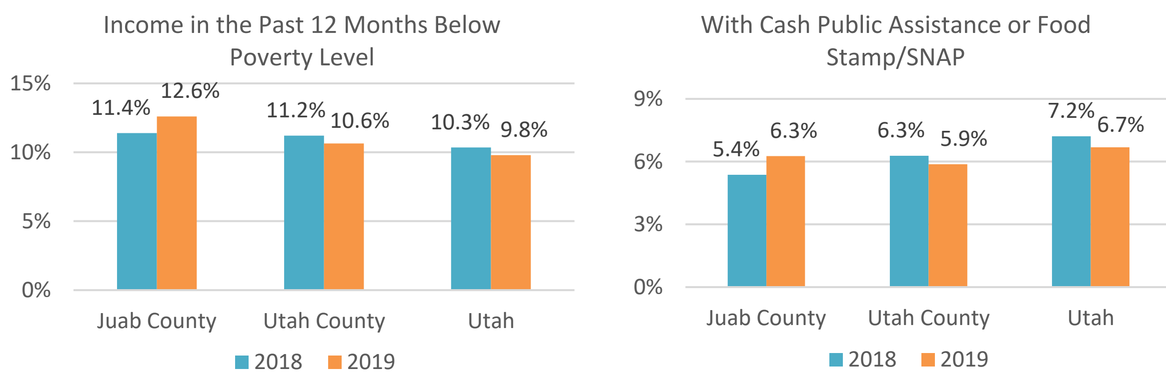
Similar to the rise in home prices, rent prices also increased during the review period. Despite building permits issued for new apartment construction in recent years, demand for rental units within proximity to employment centers persisted.[37] The recent expansion of Utah's technology sector in the Silicon Slopes area increased employment in northern Utah County that is bordered by southern Salt Lake County to the north, and in turn has contributed to the increased demand for housing in the area.[38] Average rental rates from 2010 to 2018 increased by 59 percent in Utah County, and outpaced increases in renter household income.[39] In addition, rental rate increases in Utah County rose by more than three times the rate of inflation from 2010 to 2017.[40] The trends of rising rents and unaffordability was particularly acute among lower-income households who are most price sensitive to rental rates.[41] In Utah County, median rent for a 1-bedroom unit increased from $764 in 2018 to $807 in 2019, a 5.6 percent increase.[42] Similarly, median rent for a 1-bedroom unit in Juab County increased from $565 in 2018 to $592 in 2019, a 4.7 percent increase.[43] In Utah County, 48 percent of renter households were cost burdened, compared to only 29 percent in Juab County.[44] However, both counties had a relatively lower share of cost burdened renter households compared to the national average of 50 percent.[45]

The trends in the poverty rate and share of households receiving public cash assistance or food stamp/Supplemental Nutrition Assistance Program (SNAP) benefits is shown in Exhibit 6 on the following page. There was an increase in the rate of households with incomes below the poverty level in Juab

[36] Zillow Research, Zillow Home Value Index, Single-Family Homes Time Series; available from: https://www.zillow.com/research/data/.
[37] The University of Utah, Kem C. Gardner Policy Institute, The Salt Lake Apartment Market, June 2019; available from: https://gardner.utah.edu/wp-content/uploads/ApartmentReport-June2019.pdf.
[38] Ibid.
[39] Ibid.
[40] Ibid.
[41] Ibid.
[42] U.S. Census Bureau, Median Gross Rent, 1-Bedroom, American Community Survey, 5-year estimate; available from: https://www.census.gov/data.
[43] Ibid.
[44] Prosperity Now Scorecard, Juab and Utah counties, UT; available from: https://scorecard.prosperitynow.org.
[45] Ibid.

County between 2018 and 2019. However, in Utah County and in the state overall, there was a slight decrease of less than 1 percent in the rate of households with incomes below the poverty level. Similarly, although there was an increase in the percentage of households receiving public cash assistance or food stamp/SNAP benefits in Juab County, there was a decrease in Utah County and the state overall.

Exhibit 6
Poverty and Food Stamp Usage Rates[46]
2018-2019



Credit and Community Development Needs

The economic data and feedback from community contacts indicate that credit and community development needs persist in the area. As previously discussed, small business lending levels remained steady during the review period before increasing in 2020, as PPP loans were distributed to meet the credit needs of small businesses during the pandemic. According to the U.S. Census Bureau's Weekly Small Business Pulse Survey, 68 percent of small business respondents in Utah received PPP loans as of January 10, 2021.[47] At that time, only 24 percent of respondent small businesses projected a need to obtain financial assistance in the next six months.[48] However, 39 percent of small businesses in Utah reported it would take more than six months before the business returned to normal levels of operation relative to one year ago.[49] Based on the survey results, some small businesses in Utah appeared to still hold a need for financing to recover from the economic pressures of the pandemic.

The Small Business Credit Survey was conducted in September and October 2020, which was approximately six months after the onset of the COVID-19 pandemic and shortly after the close of the first window of PPP lending. The point-in-time survey highlighted the pandemic's impact on small businesses and their credit needs. The survey results found that of the 37 percent of small business survey respondents that applied for credit in the prior 12 month period, 37 percent received all the financing they sought.[50] This share of applicants was a decrease from the prior year's survey, which

[46] Poverty and Food Stamp Usage Rates, U.S. Census Bureau, American Community Survey, 5-Year Estimates; available from: https://www.census.gov/programs-surveys/acs/data.html.
[47] U.S. Census Bureau, Weekly Small Business Pulse Survey, January 4, 2021-January 10, 2021; available from: https://www.census.gov/data/experimental-data-products/small-business-pulse-survey.html.
[48] Ibid.
[49] Ibid.
[50] Small Business Credit Survey, Report on Employer Firms 2021; available from: https://www.fedsmallbusiness.org/survey/2021/report-on-employer-firms.

found that 51 percent of applicant firms received all the financing they sought.[51] Small business applicants most often sought loans or lines of credit.[52] A majority of applicant firms, or 58 percent, cited that their reason for applying for credit was to meet operating expenses.[53] Only 48 percent of firms applied for less than $100,000, a decrease since the prior year.[54] Despite the increase in small business lending during the pandemic, the survey results further indicate an unmet credit need for small businesses.

In addition to the survey data, community contacts also described credit needs in the area. One community contact noted that most entrepreneurs and small business owners their organization serves are in need of loans between $25,000 to $50,000. The same contact noted that most clients their organization serves do not typically qualify for a loan from a bank due to collateral or credit issues and rely on microlenders or other alternative lenders to meet their credit needs. However, with only two microlenders in the state, contacts noted the need for more donations or funding from financial institutions for micro-lending. Another community contact noted that the Small Business Development Centers in the state are moving more training programs online and are in need of investments and technical assistance from banks for virtual training programs for entrepreneurs and small business owners.

According to community contacts, affordable housing is a significant credit need in the area. Increased down payment assistance grants would be beneficial in the area to help lower the mortgage loan risk. Community contacts also noted there is general interest in creating more opportunities to finance construction of Accessory Dwelling Units to develop more affordable housing options.

Overall, credit and community development needs persist in the area that could be met by participation from financial institutions in the form of small business loans, investments or donations to community organizations, as well as supporting the financing of affordable housing. Based on the data discussed above and the information gathered from community contacts, these are some of the most impactful opportunities banks could provide to address credit and community development needs.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

GDB's overall CRA performance, as evaluated under its approved strategic plan, is outstanding. The bank substantially achieved its goals for an outstanding rating with regard to its small business lending, and community development investments and donations, as well as the level of community development services provided by bank employees during the review period.

Combined Lending and Investment Goals

The lending and investment goals outlined in the bank's strategic plan consist of the cumulative amount of combined small business loans, community development loans, and community development investments originated or renewed as of plan year-end, as well as donations, expressed as a percentage

[51] Ibid.
[52] Ibid.
[53] Ibid.
[54] Ibid.

of average assets for each year of the review period.[55] The bank exceeded the combined lending and investment goals established to achieve outstanding performance in all three years, as shown in Exhibit 7 below.

Exhibit 7
ANNUAL SMALL BUSINESS LENDING, COMMUNITY DEVELOPMENT LENDING AND INVESTMENT GOALS

Plan Year	Goal As Percentage of Average Assets	Small Business Loans ($)	Community Development Loans ($)	Investments[56] ($)	Actual Performance-Cumulative Lending and Investments($)	Actual Performance (% of Average Assets)
2018	Outstanding: 1.75%					
	Satisfactory: 1.30%	$352,000	$922,999	$26,460,105	$27,735,104	1.99%
2019	Outstanding: 1.75%					
	Satisfactory: 1.30%	$140,000	$222,999	$31,010,474	$31,373,473	1.95%
2020	Outstanding: 1.75%					
	Satisfactory: 1.30%	$1,982,000	$5,222,999	$41,979,695	$49,184,694	2.01%

GDB's community development lending and investment activities are heavily focused on addressing the need for affordable housing within the bank's assessment area. Community development loans supported 159 affordable housing units through the renewal of six loans, totaling $688,977, as well as the origination of three loans, totaling $5.7 million, made primarily to organizations with primary purposes of providing affordable housing to LMI individuals and/or families within Utah and Juab counties. The bank made two new investments in municipal bonds and 16 new investments in mortgage backed securities, for a combined total of approximately $52.5 million, which supported at least 174 affordable housing units. The bank's total investments, as presented in Exhibit 7, consist of new and ongoing investments that help address the needs of the assessment area. The book value of the bank's community development investments portfolio increased by approximately $29.5 million (237 percent) during the review period. Additionally, GDB made 24 donations, totaling $126,255, to organizations that promote affordable housing and provide critical services to LMI individuals and families. In addition to community development loans and investments, the bank made 35 small business loans over the course of the review period.

Examples of GDB's community development loans, investments and donations include:

- Renewal of six loans, totaling approximately $669,000, made to an organization focused on addressing the need for affordable housing.
- A loan of $700,000 to finance a low-income multifamily housing development, providing 13 affordable housing units.
- A loan of $2,500,000 to a certified community development financial institution that specializes in providing permanent financing for multifamily rental properties serving LMI households.
- A loan of $2,500,000 to a certified 501(c)3 organization focused on providing critical services for LMI seniors, including the provision of financial education, affordable healthcare, and affordable

[55] Average assets for each plan year were calculated using the amounts from line 9 of Schedule RC-K of the bank's four Call Reports for that plan year.
[56] The cumulative amount of investments in each year consists of the total amount of each investment made during that year, the total amount donations made in that year, and the current book value of investments made in prior years.

housing. Loan proceeds were applied to the purchase of a CRA-eligible mortgage backed security secured by 140 affordable housing units.

- A total of 16 investments in mortgage-backed securities, totaling $43.5 million, secured by 174 mortgages made to LMI individuals or families.
- Two investments in municipal bonds, totaling $9 million, which aided affordable housing initiatives within the Provo-Orem MSA.
- Three donations, totaling $7,500, made to a non-profit organization focused on providing assistance to homeless individuals and families nationwide.
- One donation of $33,000 to an organization that strives to find innovative ways of promoting financial health among LMI individuals and/or families nationwide.
- Four donations, totaling $40,000, to an organization driving financial literacy initiatives among LMI students in Title 1 schools.
- Three donations, totaling $25,500, to a non-profit organization focused on providing affordable housing opportunities to LMI populations throughout the state of Utah.

Service Goals

GDB's overall community development service performance was outstanding. The bank's Plan outlines cumulative goals for the total number of service hours provided in each year of the review period. The goals for satisfactory and outstanding performance represent an average of 10 and 14 hours of service per employee, respectively. Exhibit 8 below provides information on the bank's performance relative to the annual service hour goals outlined in the Plan. These goals include service hours provided in the local community, as well as the nationwide community, that the bank serves. However, the bank's Plan stipulates that the percentage of qualified service hours provided within the bank's assessment area must be more than proportional to the percentage of bank employees located within the assessment area. To meet this stipulation, the total number of qualified service hours within the assessment area must be greater than the percentage of employees within the assessment area multiplied by the total number of service hours provided in that year. The bank complied with this stipulation in all three years of the review period.

Exhibit 8
ANNUAL SERVICE HOURS GOALS

Plan Year	Bank Established Goals		Bank Performance	# of Employees Within AA	# of Total Employees	% of Employees Within AA Multiplied by Total Hours	Total Qualified Service Hours Within AA
	Satisfactory Hours	Outstanding Hours	Total Qualified Service Hours[57]				
2018	190	240	233	6	22	64	112
2019	205	255	285	6	24	71	215
2020	220	270	281	6	21	80	265
Total	615	765	798				

[57] The number of service hours in each year was rounded down to the nearest whole number when ending in .25 and rounded up to the nearest whole number when ending in .5 or .75, which resulted in a rounding error that offset the total number of hours provided by one hour.

Qualified service hours provided by bank employees included assistance to non-profit and professional organizations that promote financial literacy and provide affordable housing services and other assistance to LMI individuals and families. In addition, the bank's services provided assistance to organizations that promote economic development within the bank's local, regional and statewide communities. Notable examples of community development services provided include:

- A total of 54 hours serving on the board of directors of a non-profit organization committed to providing essential services to the unhoused, such as financial literacy classes and job skills training.
- Approximately 339 service hours provided to an organization that offers financial literacy classes to students of Title 1 schools. A bank employee served on the board of directors, and multiple employees taught financial literacy classes.
- A total of 127 hours was contributed to an organization that is focused on increasing literacy levels among LMI individuals.
- Over 202 hours provided directly to LMI individuals by assisting them with preparing, understanding, and filing their federal and state income tax returns free of charge.
- Over 30 hours of technical assistance provided to an organization that focuses on providing funding for small businesses.

Fair Lending or Other Illegal Practices Review

A review of the most recent evaluation of GDB's compliance with consumer protection laws was performed. The review found no evidence of violations of the substantive provisions of anti-discrimination and fair lending laws and regulations, or of other credit practice rules, laws or regulations.

APPENDIX A

GLOSSARY OF TERMS

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 metropolitan area/assessment area.

Census tract: 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 statistical 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: All Agencies have adopted the following language. 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 the size eligibility standards of the Small Business Administration's Development Company or Small Business Investment Company programs (13 CFR 121.301) or have gross annual revenues of $1 million or less; or, activities that revitalize or stabilize low- or moderate-income geographies.

Effective September 1, 2005, the Board of Governors of the Federal Reserve System, Office of the Comptroller of the Currency, and the Federal Deposit Insurance Corporation have adopted the following additional language as part of the revitalize or stabilize definition of community development. Activities that revitalize or stabilize:

(i) Low- or moderate-income geographies;
(ii) Designated disaster areas; or
(iii) Distressed or underserved nonmetropolitan middle-income geographies designated by the Board, Federal Deposit Insurance Corporation, and Office of the Comptroller of the Currency, based on:
    a. Rates of poverty, unemployment, and population loss; or
    b. Population size, density, and dispersion. Activities that revitalize and stabilize geographies designated based on population size, density, and dispersion if they help to meet essential community needs, including needs of low- and moderate-income individuals.

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-scope review: Performance under the lending and community development tests is analyzed considering performance context, quantitative factors (for example, geographic distribution, borrower distribution, and total number and dollar amount of investments), and qualitative factors (for example, 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 do 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 applications, the amount of loan requested, and the disposition of the application (for example, approved, denied, and withdrawn).

Home mortgage loans: Includes home purchase and home improvement loans as defined in the HMDA regulation. This definition also includes multifamily (five or more families) dwelling loans, loans for the purchase of manufactured homes and refinancings of home improvement and home purchase loans.

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 and community development tests is analyzed using only quantitative factors (for example, 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 metropolitan area/assessment area.

Metropolitan area (MA): A metropolitan statistical area (MSA) or a metropolitan division (MD) as defined by the Office of Management and Budget. A MSA is a core area containing at least one urbanized area of 50,000 or more inhabitants, together with adjacent communities having a high degree of economic and social integration with that core. A MD is a division of a MSA based on specific criteria including commuting patterns. Only a MSA that has a population of at least 2.5 million may be divided into MDs.

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 multistate 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 multistate metropolitan area, the institution will receive a rating for the multistate 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. However, thrift institutions may also exercise the option to report loans secured by nonfarm residential real estate as "small business loans" if the loans are reported on the TFR as nonmortgage, commercial 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.

Upper-income: Individual income that is more than 120 percent of the area median income, or a median family income that is more than 120 percent, in the case of a geography.