

PUBLIC DISCLOSURE

April 5, 2021

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

**Field & Main Bank
RSSD #618740**

**140 North Main Street
Henderson, Kentucky 42420**

Federal Reserve Bank of St. Louis

**P.O. Box 442
St. Louis, Missouri 63166-0442**

NOTE: This document is an evaluation of this institution's record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods, consistent with safe and sound operation of the institution. This evaluation is not, nor should it be construed as, an assessment of the financial condition of the 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'S CRA RATING: This institution is rated SATISFACTORY.

The Lending Test is rated: Satisfactory
The Community Development Test is rated: Satisfactory

Field & Main Bank meets the criteria for a Satisfactory rating based on the evaluation of the bank's lending and community development activities. The factors supporting the institution's rating include:

- The loan-to-deposit (LTD) ratio is reasonable given the institution's size, financial condition, and credit needs of the assessment areas.
- A majority of loans and other lending-related activities are in the assessment areas.
- Distribution of loans to borrowers reflects poor penetration among individuals of different income levels (including low- and moderate-income (LMI)) and businesses of different revenue sizes.
- Geographic distribution of loans reflects a reasonable dispersion throughout the assessment areas.
- No CRA-related complaints were filed against the bank since the previous CRA evaluation.
- The bank's overall community development performance demonstrates adequate responsiveness to the community development needs of its assessment areas, considering the bank's capacity and the need and availability of such opportunities for community development in the bank's assessment areas. The bank has responded to these needs through community development loans, qualified investments, and community development services.

SCOPE OF EXAMINATION

The bank’s CRA performance was reviewed using the Federal Financial Institutions Examination Council’s (FFIEC’s) intermediate small bank procedures. The intermediate small bank examination procedures entail two performance tests: the Lending Test and the Community Development Test. Bank performance under these tests is rated at the institution level, as well as by multistate metropolitan statistical areas (MSAs) and state levels. The bank maintains operations in three delineated assessment areas within two states, Kentucky and Indiana. The Indiana portion of the bank’s assessment area is contained entirely within the Evansville, Indiana-Kentucky MSA (Evansville MSA). In light of these characteristics, the bank received three sets of ratings: overall institution ratings, ratings for the Evansville assessment area, and ratings for the state of Kentucky.

The following table details the number of branch offices, breakdown of deposits, and the CRA review procedures applicable to each rated area completed as part of this evaluation. Deposit information in the following table and throughout this evaluation is taken from the Federal Deposit Insurance Corporation (FDIC) Deposit Market Share Report data as of June 30, 2020.

Rated Area	Offices		Deposits as of June 30, 2020		Assessment Area Reviews		
	#	%	\$ (000s)	%	Full Scope	Limited Scope	TOTAL
Evansville	4	66.7	360,239	78.1	1	0	1
Kentucky	2	33.3	101,100	21.9	1	1	2
OVERALL	6	100	461,339	100	2	1	3

Considering branch structure, loan and deposit activity, and the bank’s CRA evaluation history, CRA performance in the Evansville assessment area was given primary consideration, as it contains the majority of the bank’s branches, as well as a majority of its loan and deposit activity.

Furthermore, residential real estate and small business loans were used to evaluate the bank’s lending performance, as these loan categories are considered the bank’s core business lines based on lending volume and the bank’s stated business strategy. Therefore, the loan activity represented by these credit products is deemed indicative of the bank’s overall lending performance. However, as the bank has a particular emphasis on home mortgage lending, performance based on the Home Mortgage Disclosure Act (HMDA) loan category carried the most significance toward the bank’s overall performance conclusions. The following table details the performance criteria and the corresponding time periods used in each analysis.

Performance Criterion	Time Period
LTD Ratio	September 30, 2016 – December 31, 2020
Assessment Area Concentration	January 1, 2019 – December 31, 2019
Loan Distribution by Borrower’s Profile	
Geographic Distribution of Loans	
Response to Written CRA Complaints	August 15, 2016 – April 4, 2021
Community Development Activities	

Lending Test analyses often entail comparisons of bank performance to assessment area demographics and the performance of other lenders, based on HMDA and CRA aggregate lending data. Unless otherwise noted, assessment area demographics are based on 2015 American Community Survey (ACS) data; certain business demographics are based on 2019 Dun & Bradstreet data. When analyzing bank performance by comparing lending activity to both demographic data and aggregate lending data, greater emphasis is generally placed on the aggregate lending data, because it is expected to describe many factors impacting lenders within an assessment area. Aggregate lending datasets are also updated annually and are, therefore, expected to predict more relevant comparisons. In addition, the bank's lending levels were evaluated in relation to those of comparable financial institutions operating within the same general region. Three other banks were identified as similarly situated peers, with asset sizes ranging from \$460.7 million to \$631.9 million as of December 31, 2020.

As part of the Community Development Test, the bank's performance was evaluated using the following criteria, considering the bank's capacity and the need and availability of such opportunities for community development in the bank's assessment areas:

- The number and dollar amount of community development loans.
- The number and dollar amount of qualified investments and grants.
- The extent to which the bank provides community development services.

The review included community development activities initiated from the date of the bank's previous CRA evaluation to this review date. In addition, investments made prior to the date of the previous CRA evaluation, but still outstanding as of this review date, were considered.

To augment this evaluation, four community contact interviews were conducted with members of the local community to ascertain specific credit needs, opportunities, and local market conditions within the bank's assessment areas. Information from these interviews also assisted in evaluating the bank's responsiveness to identified community credit needs and community development opportunities. Key details from these community contact interviews are included in the *Description of Assessment Area* section applicable to the assessment area in which they were conducted.

DESCRIPTION OF INSTITUTION

Field & Main Bank is a full-service retail bank offering both consumer and commercial loan and deposit products. The bank is wholly owned by Field & Main Bancorp, Inc., a single bank holding company. The bank and its holding company are both headquartered in Henderson, Kentucky. The bank's branch network consists of six offices (including the main office). In addition to being full-service facilities, the main office in Henderson, Kentucky, and all three branches in the Evansville assessment area (two branches in Henderson County, Kentucky, and one branch in Vanderburgh County, Indiana) have drive-up accessibility and on-site full-service automated teller machines (ATMs). In May 2019, the bank replaced its loan production office (LPO) in Lexington, Kentucky, with a full-service branch. In addition, the bank relocated its full-service branch in Harrison County, Kentucky, in 2017. Each of these branches is drive-up accessible with a full-service ATM on site. Based on this branch network and other service delivery systems, such as extended banking hours of operation and full-service online banking capabilities, the bank is well positioned to deliver financial services to the entirety of its assessment areas.

The bank currently operates in three CRA assessment areas, as detailed below.

Evansville Multistate MSA

- Evansville assessment area – all of Henderson County, Kentucky, and all of Vanderburgh County, Indiana (two of four counties that make up the Evansville MSA).

State of Kentucky

- Fayette County assessment area – all of Fayette County, Kentucky (one of the six counties that make up the Lexington-Fayette, Kentucky MSA).
- Harrison County assessment area (nonMSA) – all of Harrison County, Kentucky.

For this review period, no legal impediments or financial constraints were identified that would have hindered the bank from serving the credit needs of its customers, and the bank appeared capable of meeting the credit needs of its assessment areas based on its available resources and financial products. As of December 31, 2020, the bank reported total assets of \$556.8 million. As of the same date, loans and leases outstanding were \$437.9 million (78.6 percent of total assets) and deposits totaled \$486.2 million. The bank's loan portfolio composition by credit category is displayed in the following table.

Distribution of Total Loans as of December 31, 2020		
Credit Category	Amount (\$ 000s)	Percentage of Total Loans
Construction and Development	49,247	11.2
Commercial Real Estate	123,725	28.3
Multifamily Residential	20,235	4.6
1-4 Family Residential	120,372	27.5
Farmland	19,820	4.5
Farm Loans	15,063	3.4
Commercial and Industrial	82,714	18.9
Loans to Individuals	3,833	0.9
Total Other Loans	2,957	0.7
TOTAL	437,966	100

As indicated in the table above, a significant portion of the bank's lending resources is directed to commercial real estate loans, loans secured by 1-4 family residential properties, and commercial and industrial related loans. The bank also originates and subsequently sells a significant volume of residential real estate loans. As these loans are sold on the secondary market shortly after origination, this activity is not captured in the table.

The bank received a Satisfactory rating at its previous CRA evaluation conducted by this Reserve Bank on August 15, 2016.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

LENDING TEST

Rated Area	Lending Test Rating
Evansville	Satisfactory
Kentucky	Needs to Improve
OVERALL	Satisfactory

Field & Main Bank meets the standards for a satisfactory Lending Test rating under the intermediate small bank procedures, which evaluate bank performance under the following five criteria, as applicable.

Loan-to-Deposit (LTD) Ratio

One indication of the bank’s overall level of lending activity is its LTD ratio. The table below displays the bank’s average LTD ratio in comparison to those of regional peers. The average LTD ratio represents a 17-quarter average, dating back to the bank’s last CRA evaluation.

LTD Ratio Analysis			
Name	Headquarters	Asset Size (000s) as of December 31, 2020	Average LTD Ratio
Field & Main Bank	Henderson, Kentucky	\$556,844	91.8%
Regional Banks	Evansville, Indiana	\$477,731	97.4%
	Winchester, Kentucky	\$460,749	97.4%
	East Bernstadt, Kentucky	\$631,865	75.6%

As shown in the previous table, the bank’s level of lending is in line with or above those of other banks in the region, all of which had stable trends over the period. The bank’s quarterly LTD ratio experienced a generally stable trend with an 18-quarter average of 91.8 percent. Therefore, compared to data from regional banks, the bank’s average LTD ratio is reasonable given the bank’s size, financial condition, and credit needs of its assessment areas.

Assessment Area Concentration

For the loan activity reviewed as part of this evaluation, the following table displays the number and dollar volume of loans inside and outside the bank’s assessment areas.

Lending Inside and Outside of Assessment Areas January 1, 2019 through December 31, 2019						
Loan Type	Inside Assessment Areas		Outside Assessment Areas		TOTAL	
	HMDA	231	80.2%	57	19.8%	288
\$28,873		74.8%	\$9,748	25.2%	\$38,621	100%
Small Business	92	83.6%	18	16.4%	110	100%
	\$18,353	82.2%	\$3,969	17.8%	\$22,322	100%
TOTAL LOANS	323	81.2%	75	18.8%	398	100%
	\$47,226	77.5%	\$13,717	22.5%	\$60,943	100%

A majority of loans and other lending-related activities were made in the bank’s assessment areas. As shown above, 81.2 percent of the total loans were made inside the assessment areas, accounting for 77.5 percent of the dollar volume of total loans.

Borrower and Geographic Distribution

As displayed in the following table, overall performance by borrower’s income/revenue profile is poor, based on the analyses of lending in the Evansville assessment area and Kentucky, as displayed in the following table.

Rated Area	Loan Distribution by Borrower’s Profile
Evansville	Poor
Kentucky	Poor
OVERALL	POOR

The bank’s overall distribution of lending by income level of census tract reflects reasonable penetration throughout the two rated areas subject to review.

Rated Area	Geographic Distribution of Loans
Evansville	Excellent
Kentucky	Poor
OVERALL	REASONABLE

This performance criterion focuses on the bank’s lending penetration among geographies of different income levels, with specific emphasis placed on lending in LMI geographies. The bank’s performance within the Evansville assessment area, where there are more LMI census tracts and a greater portion of Field & Main’s operations and lending activity, carried greater weight in determining the overall rating.

Responses to Complaints

No CRA-related complaints were filed against the bank during this review period, August 15, 2016 through April 4, 2021.

COMMUNITY DEVELOPMENT TEST

Field & Main Bank's performance under the Community Development Test is rated satisfactory. The bank demonstrates adequate responsiveness to the community development needs of the Evansville assessment area and poor responsiveness to the Kentucky assessment areas, considering the bank's capacity and the need and availability of such opportunities for community development in the assessment areas.

Rated Area	Community Development Test Rating
Evansville	Satisfactory
Kentucky	Needs to Improve
OVERALL	Satisfactory

While the bank's community development performance was adequate in the Evansville assessment area, the bank's community development responsiveness was poor in its Kentucky assessment areas. Based on the bank's branch structure, the shorter length of time operating full-service branches in its full-scope Fayette County assessment area, and loan and deposit activity, Field & Main Bank's ratings were weighted more heavily toward CRA performance in the Evansville assessment area. As a result, the overall rating for the Community Development Test is satisfactory.

During the review period, the bank made three qualifying loans in its assessment areas totaling approximately \$795,000. All three of those loans were targeted for affordable housing to LMI individuals within the Evansville assessment area. Additionally, the bank originated 221 Paycheck Protection Program (PPP) loans in LMI census tracts within its assessment areas totaling \$18.4 million dollars, helping to revitalize and stabilize these geographies in response to the COVID-19 pandemic.

The bank also made community development investments and donations in its assessment areas totaling \$630,503. This amount included one qualified investment totaling \$545,000 and 57 donations totaling \$85,503. The investment was in a municipal bond revitalizing and stabilizing LMI geographies within the bank's assessment areas. Additionally, of the 57 donations, 3 were properties donated to organizations providing affordable housing to LMI individuals in the bank's assessment areas.

During the review period, 26 bank employees used their financial expertise to log well over 1,000 hours of service activities to 18 different community development organizations within the bank's assessment areas. Service activities included delivering financial education in schools that primarily serve LMI families, providing financial expertise to community service organizations as board members, and offering financial expertise through the Volunteer Income Tax Assistance (VITA) program.

In addition to adequately meeting the community development needs of its own assessment areas, the bank made four community development loans totaling \$13.0 million to organizations whose broader area of operations includes the Evansville assessment area.

FAIR LENDING OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

Based on findings from the Consumer Affairs examination, including a fair lending analysis performed under Regulation B – Equal Credit Opportunity and the Fair Housing Act requirements, conducted concurrently with this CRA evaluation, no evidence of discriminatory or other illegal credit practices inconsistent with helping to meet community credit needs was identified.

EVANSVILLE, INDIANA-KENTUCKY MULTISTATE METROPOLITAN STATISTICAL AREA¹

CRA RATING FOR EVANSVILLE ASSESSMENT AREA

SATISFACTORY

The Lending Test is rated:

Satisfactory

The Community Development Test is rated:

Satisfactory

Major factors supporting the institution's Evansville assessment area rating include the following:

- The distribution of loans reflects poor penetration among individuals of different income levels (including LMI levels) and businesses of different sizes.
- Overall, the geographic distribution of loans reflects excellent dispersion throughout the bank's Evansville assessment area.
- The bank's community development performance demonstrates adequate responsiveness to community development needs through community development loans, qualified investments, and community development services, considering the need and availability for such opportunities for community development in the bank's Evansville assessment area.

SCOPE OF EXAMINATION

Examination scope considerations applicable to the review of the Evansville assessment area are consistent with the overall CRA examination scope, as presented in the *Institution/Scope of Examination* section.

To augment this evaluation, two community contact interviews were conducted to ascertain specific community credit needs, community development opportunities, and local economic conditions. Details from these interviews are included in the *Description of Institution's Operations* section that follows.

DESCRIPTION OF INSTITUTION'S OPERATIONS IN THE EVANSVILLE ASSESSMENT AREA

Bank Structure

The bank operates four branches, all of which have full-service ATMs on site, representing 66.7 percent of total branches. One branch is on the Indiana side of the assessment area, located near the eastern edge of Vanderburgh County. The remaining three branches are in Kentucky, all of which are in close proximity to the city of Henderson. During this review period, the bank did not open or close any branches in this assessment area. Based on this branch network and other service

¹ This rating reflects performance within the multistate MSA. The Kentucky statewide evaluation is adjusted and does not reflect performance in the multistate MSA.

delivery systems, the bank is adequately positioned to deliver financial services to the entire Evansville assessment area.

General Demographics

The multistate Evansville MSA consists of six counties in Indiana and Kentucky. The bank has designated two of the six counties in the Evansville MSA as an assessment area. The following table describes the counties in the bank’s assessment area along with their respective populations based on 2015 ACS data.

State	County	Population
Indiana	Vanderburgh	181,305
Kentucky	Henderson	46,396
TOTAL ASSESSMENT AREA POPULATION		227,701

This assessment area has a competitive banking market, with 16 total financial institutions operating 61 separate branches within the assessment area. The bank is ranked 4th among the 16 financial institutions operating within the assessment area, encompassing 5.4 percent of the assessment area’s deposit market share.

This assessment area covers a metropolitan area, and the population and demographics are diverse. Additionally, the assessment area is bisected by the Ohio River, creating a natural barrier for the residents of Vanderburgh County, Indiana, to travel to Henderson County, Kentucky. The credit needs in the area, like its population, are varied and include a blend of consumer and business credit products. Other credit needs in the assessment area, noted primarily by community contacts, include financial education and credit counseling.

Income and Wealth Demographics

The following table summarizes the distribution of assessment area census tracts by income level and the family population within those tracts.

Assessment Area Demographics by Geography Income Level						
Dataset	Low-	Moderate-	Middle-	Upper-	Unknown	TOTAL
Census Tracts	11	18	20	9	2	60
	18.3%	30.0%	33.3%	15.0%	3.3%	100%
Family Population	6,436	14,057	23,161	13,853	61	57,568
	11.2%	24.4%	40.2%	24.1%	0.1%	100%

As shown above, 48.3 percent of the census tracts in the assessment area are LMI geographies but only 35.6 percent of the family population resides in these tracts. These LMI areas are primarily concentrated in and around the cities of Evansville, Indiana, and Henderson, Kentucky.

Based on 2015 ACS data, the median family income for the assessment area was \$57,031. At the same time, median family incomes for Indiana and Kentucky were \$61,119 and \$55,367, respectively. More recently, the FFIEC estimates the 2019 median family income for the Evansville MSA to be \$67,200. The following table displays population percentages of assessment area families by income level compared to the Indiana and Kentucky family populations.

Family Population by Income Level					
Dataset	Low-	Moderate-	Middle-	Upper-	TOTAL
Assessment Area	13,998	10,814	11,672	21,084	57,568
	24.3%	18.8%	20.3%	36.6%	100%
State of Indiana	342,775	293,416	351,076	667,776	1,655,043
	20.7%	17.7%	21.2%	40.4%	100%
State of Kentucky	259,442	191,208	220,940	465,148	1,136,718
	22.8%	16.8%	19.4%	40.9%	100%

As shown in the table above, 43.1 percent of families within the assessment area were considered LMI, which is higher than the LMI family percentages of 38.4 percent in Indiana and 39.6 percent in Kentucky. The percentage of families living below the poverty level in the assessment area, 12.7 percent, is above the 11.1 percent level in the state of Indiana but below the 14.4 percent level in the state of Kentucky. Considering these factors, the assessment area appears less affluent than the states of Indiana and Kentucky as a whole.

Housing Demographics

As displayed in the following table, homeownership in the assessment area is more affordable compared to the state of Kentucky and less affordable than the state of Indiana.

Housing Demographics			
Dataset	Median Housing Value	Affordability Ratio	Median Gross Rent (Monthly)
Assessment Area	\$113,345	37.8%	\$691
State of Indiana	\$124,200	39.7%	\$745
State of Kentucky	\$123,200	35.5%	\$675

Median gross rents varied significantly between the two counties in the assessment area, with Vanderburgh County’s median gross rent (\$716) exceeding Henderson County’s (\$612) by over \$100 per month. Affordability ratios in the assessment area are closer, with a less than 2 percent difference between the two counties, with Henderson County (38.9 percent) being slightly more affordable than Vanderburgh County (37.3 percent). The relatively older housing stock located within the assessment area, however, may contribute to difficulty for LMI homeownership. The median age of homes within the assessment area is 54 years, compared to 43 years for the state of Indiana and 37 years for the state of Kentucky. The age of the housing stock was also mentioned as a barrier for LMI homeownership by the community contacts interviewed.

Industry and Employment Demographics

The assessment area supports a large and diverse business community, including a strong small business sector. County business patterns indicate that there are 113,444 paid employees in the assessment area. By percentage of employees, the three largest job categories in the assessment area are healthcare and social assistance (16.3 percent), followed by manufacturing (15.3 percent), and retail trade (12.4 percent). The table below details unemployment data from the U.S. Department of Labor, Bureau of Labor Statistics (not seasonally adjusted) for each county of the assessment area, the assessment area as a whole, the state of Indiana, and the state of Kentucky.

Unemployment Levels for the Assessment Area				
Dataset	Time Period (Annual Average)			
	2017	2018	2019	2020
Vanderburgh County	3.3%	3.2%	3.1%	7.2%
Henderson County	4.6%	3.8%	3.8%	6.1%
Assessment Area Average	3.5%	3.3%	3.2%	7.0%
State of Indiana	3.6%	3.5%	3.3%	7.1%
State of Kentucky	4.9%	4.3%	4.3%	6.7%

As shown in the table above, unemployment levels varied between the two counties within the assessment area. The assessment area as a whole had a lower unemployment rate than both the state of Indiana and the state of Kentucky. All three locations experienced a decreasing trend in unemployment rates between 2017 and 2019, with the state of Kentucky experiencing the largest decrease. This declining trend ended during 2020 when the impact of the pandemic caused annual unemployment rates to increase in both states and the assessment area.

Community Contact Information

For the Evansville assessment area, two community contact interviews were completed as part of this evaluation. One of the interviews was with an individual specializing in affordable housing for LMI individuals located in Vanderburgh County, and the other interview was conducted with an individual concentrated on economic development in Henderson County.

Both community contacts characterized the economy of the assessment area as growing, citing location, strong infrastructure, and low cost of living as leading contributors to this growth. This includes areas outside of the city of Evansville, with recent economic spillover reaching Henderson County. Although the economic growth has overall been beneficial to the area, according to contacts, it has led to a rise in the local housing costs with an influx of workers moving into the area. Additionally, while overall the assessment area is thriving, there are sizable pockets within the assessment area that contain significant LMI populations and have higher levels of poverty and lack of economic development. The housing specialist described the assessment area as having an insufficient volume of affordable houses for the local LMI population. A considerable number of the houses that would be affordable for LMI individuals are located within the city of Evansville, where Field & Main Bank does not have any branches, and are much older. It is likely that a

significant number of these older homes require major repairs, further exacerbating an affordability problem in the area for LMI individuals. Additional barriers to homeownership for LMI residents are lack of income and poor credit histories. The contact indicated that banks can address these issues by offering Federal Housing Administration home loans, as well as bank loans with reduced down payment and credit score requirements.

The Evansville assessment area has been affected by the COVID-19 pandemic, particularly among the LMI community. Community contacts noted that lower wage workers, such as retail and restaurant employees, have been hardest hit by layoffs and job losses. Local manufacturing plants were also temporarily closed due to the pandemic. Additionally, many workers have had to choose between caring for family members or going to work, especially those who have young children without available or affordable childcare.

Community contacts indicated that opportunities exist for financial institutions in the area to engage in community development activities, despite both indicating that there is a considerable level of competition in the area. One area of need is greater access to credit for small businesses. Along with this, there is a need for higher levels of financial education within the assessment area for both the LMI community and small business owners. Lastly, Field & Main Bank was specifically identified as being especially active within the community.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN THE EVANSVILLE ASSESSMENT AREA

LENDING TEST

The bank’s Lending Test rating in the Evansville assessment area is satisfactory. The distribution of loans reflects poor penetration among borrowers of different income levels and businesses of different sizes. The geographic distribution of loans, however, reflects excellent penetration throughout the assessment area.

Loan Distribution by Borrower’s Profile

Overall, the bank’s loan distribution by borrower’s profile is poor, based on performance from both loan categories reviewed. While the bank’s performance under the small business loan category is reasonable, the bank’s HMDA loan distribution performance by borrower’s profile is poor and carries greater weight due to the bank’s emphasis on HMDA lending.

Borrowers are classified into low-, moderate-, middle-, and upper-income categories by comparing their reported income to the applicable median family income figure as estimated by the FFIEC (\$67,200 for the Evansville MSA as of 2019). The following table shows the distribution of HMDA reported loans by borrower income level in comparison to family population income demographics for the assessment area. Additionally, 2019 aggregate data for the assessment area is displayed.

Borrower Distribution of Residential Real Estate Loans								
Assessment Area: Evansville								
Product Type	Borrower Income Levels	2019						
		Count			Dollar			Families
		Bank		HMDA Aggregate	Bank		HMDA Aggregate	
		#	%	%	\$ (000s)	\$ %	\$ %	%
Home Purchase	Low	4	4.0	10.6	261	2.3	6.5	24.3
	Moderate	6	5.9	25.9	414	3.6	20.7	18.8
	Middle	15	14.9	20.6	1,773	15.6	21.2	20.3
	Upper	26	25.7	25.1	4,774	42.1	36.1	36.6
	Unknown	50	49.5	17.9	4,122	36.3	15.4	0.0
	TOTAL	101	100.0	100.0	11,344	100.0	100.0	100.0
Refinance	Low	4	3.9	9.7	177	1.4	5.1	24.3
	Moderate	15	14.6	18.6	1,419	11.6	12.5	18.8
	Middle	17	16.5	21.8	1,495	12.2	17.7	20.3
	Upper	34	33.0	32.8	5,695	46.4	44.0	36.6
	Unknown	33	32.0	17.2	3,493	28.4	20.6	0.0
	TOTAL	103	100.0	100.0	12,279	100.0	100.0	100.0

Home Improvement	Low	0	0.0	10.9	0	0.0	5.5	24.3
	Moderate	0	0.0	20.9	0	0.0	20.0	18.8
	Middle	0	0.0	22.9	0	0.0	19.6	20.3
	Upper	1	50.0	39.5	9	8.1	46.8	36.6
	Unknown	1	50.0	5.8	102	91.9	8.0	0.0
	TOTAL	2	100.0	100.0	111	100.0	100.0	100.0
Multifamily	Low	0	0.0	0.0	0	0.0	0.0	24.3
	Moderate	1	50.0	2.0	350	20.6	0.2	18.8
	Middle	0	0.0	0.0	0	0.0	0.0	20.3
	Upper	0	0.0	5.9	0	0.0	0.6	36.6
	Unknown	1	50.0	92.2	1,350	79.4	99.1	0.0
	TOTAL	2	100.0	100.0	1,700	100.0	100.0	100.0
Other Purpose Line of Credit	Low	0	0.0	8.8	0	0.0	5.1	24.3
	Moderate	0	0.0	15.2	0	0.0	9.6	18.8
	Middle	0	0.0	23.0	0	0.0	17.8	20.3
	Upper	0	0.0	47.3	0	0.0	60.1	36.6
	Unknown	0	0.0	5.7	0	0.0	7.4	0.0
	TOTAL	0	0.0	100.0	0	0.0	100.0	100.0
Other Purpose Closed/Exempt	Low	1	14.3	12.3	30	12.7	6.9	24.3
	Moderate	1	14.3	28.1	20	8.5	19.2	18.8
	Middle	1	14.3	21.1	47	19.9	20.6	20.3
	Upper	3	42.9	36.8	127	53.8	52.2	36.6
	Unknown	1	14.3	1.8	12	5.1	1.1	0.0
	TOTAL	7	100.0	100.0	236	100.0	100.0	100.0
Purpose Not Applicable	Low	0	0.0	0.0	0	0.0	0.0	24.3
	Moderate	0	0.0	0.7	0	0.0	1.1	18.8
	Middle	0	0.0	0.0	0	0.0	0.0	20.3
	Upper	0	0.0	0.0	0	0.0	0.0	36.6
	Unknown	0	0.0	99.3	0	0.0	98.9	0.0
	TOTAL	0	0.0	100.0	0	0.0	100.0	100.0
HMDA TOTALS	Low	9	4.2	10.0	468	1.8	5.1	24.3
	Moderate	23	10.7	22.3	2,203	8.6	15.1	18.8
	Middle	33	15.3	20.7	3,315	12.9	17.0	20.3
	Upper	64	29.8	28.6	10,605	41.3	33.6	36.6
	Unknown	86	40.0	18.5	9,079	35.4	29.2	0.0
	TOTAL	215	100.0	100.0	25,670	100.0	100.0	100.0

As displayed in the preceding table, the bank's percentage of lending to low-income borrowers (4.2 percent) is substantially below the low-income family population figure (24.3 percent) and below the aggregate lending level to low-income borrowers (10.0 percent), reflecting poor performance. Similarly, the bank's level of lending to moderate-income borrowers (10.7 percent) is below the

moderate-income family population percentage (18.8 percent) as well as the aggregate lending level of 22.3 percent, reflecting poor performance. Therefore, considering performance to both income categories, the bank’s overall distribution of HMDA loans by borrower’s profile is poor.

Next, small business loans were reviewed to determine the bank’s lending levels to businesses of different sizes. The following table shows the distribution of 2019 small business loans by loan amount and business revenue size compared to Dun & Bradstreet and aggregate data.

Small Business Loans by Revenue and Loan Size								
Assessment Area: Evansville								
Business Revenue and Loan Size		2019						
		Count			Dollars			Total Businesses
		Bank		Aggregate	Bank		Aggregate	
		#	%	%	\$ (000s)	\$ %	\$ %	%
Business Revenue	\$1 Million or Less	28	31.8	41.2	6,187	42.1	29.6	87.2
	Over \$1 Million/ Unknown	60	68.2	58.8	8,515	57.9	70.4	12.8
	TOTAL	88	100.0	100.0	14,702	100.0	100.0	100.0
Loan Size	\$100,000 or Less	69	78.4	87.1	1,958	13.3	25.8	
	\$100,001–\$250,000	6	6.8	6.4	925	6.3	17.4	
	\$250,001– \$1 Million	10	11.4	6.4	5,024	34.2	56.8	
	Over \$1 Million	3	3.4	0.0	6,795	46.2	0.0	
	TOTAL	88	100.0	100.0	14,702	100.0	100.0	
Loan Size	Revenue \$1 Million or Less	\$100,000 or Less	19	67.9		800	12.9	
		\$100,001–\$250,000	3	10.7		410	6.6	
		\$250,001– \$1 Million	5	17.9		3,162	51.1	
		Over \$1 Million	1	3.6		1,815	29.3	
		TOTAL	28	100.0		6,187	100.0	

The bank’s level of lending to small businesses is reasonable. The bank originated 31.8 percent of its small business loans to businesses with revenues of \$1 million or less. In comparison, assessment area demographics estimate that 87.2 percent of businesses in the assessment area had annual revenues of \$1 million or less, and the aggregate lending level to small businesses is 41.2 percent. Bank performance is buoyed by the significant level of lending in amounts of \$100,000 or less, indicating a willingness to engage with small businesses. Lastly, due to a long-standing business relationship, the bank originated 36 loans in 2019 to an organization with revenues of greater than \$1 million. This significantly impacted the percentage of loans originated during 2019 to businesses based on revenue.

Geographic Distribution of Loans

As noted previously, the Evansville assessment area includes 11 low-income and 18 moderate-income census tracts, representing 38.3 percent of all assessment area census tracts. Overall, the bank’s geographic distribution of loans in this assessment area reflects excellent penetration throughout these LMI census tracts, based on the HMDA and small business loan categories with primary emphasis on the bank’s HMDA lending, due to the volume of lending in the assessment area. The following table displays the geographic distribution of 2019 HMDA loans compared to owner-occupied housing demographics for the assessment area and aggregate data.

Geographic Distribution of Residential Real Estate Loans								
Assessment Area: Evansville								
Product Type	Tract Income Levels	2019						
		Count			Dollar			Owner-Occupied Units
		Bank		HMDA Aggregate	Bank		HMDA Aggregate	
		#	%	%	\$ (000s)	\$ %	\$ %	%
Home Purchase	Low	12	11.9	5.1	719	6.3	3.1	8.3
	Moderate	34	33.7	21.9	3,120	27.5	15.6	19.9
	Middle	45	44.6	39.2	5,976	52.7	37.6	43.6
	Upper	10	9.9	33.5	1,529	13.5	43.5	28.2
	Unknown	0	0.0	0.1	0	0.0	0.2	0.1
	TOTAL	101	100.0	100.0	11,344	100.0	100.0	100.0
Refinance	Low	7	6.8	3.8	732	6.0	2.0	8.3
	Moderate	19	18.4	16.0	1,437	11.7	11.4	19.9
	Middle	60	58.3	42.4	7,790	63.4	38.7	43.6
	Upper	16	15.5	37.6	2,052	16.7	47.6	28.2
	Unknown	1	1.0	0.2	268	2.2	0.2	0.1
	TOTAL	103	100.0	100.0	12,279	100.0	100.0	100.0
Home Improvement	Low	0	0.0	7.0	0	0.0	3.3	8.3
	Moderate	0	0.0	12.4	0	0.0	10.7	19.9
	Middle	1	50.0	44.2	9	8.1	39.8	43.6
	Upper	1	50.0	36.4	102	91.9	46.2	28.2
	Unknown	0	0.0	0.0	0	0.0	0.0	0.1
	TOTAL	2	100.0	100.0	111	100.0	100.0	100.0
Multifamily	Low	0	0.0	19.6	0	0.0	13.8	8.3
	Moderate	2	100.0	41.2	1,700	100.0	53.9	19.9
	Middle	0	0.0	31.4	0	0.0	30.7	43.6
	Upper	0	0.0	7.8	0	0.0	1.6	28.2
	Unknown	0	0.0	0.0	0	0.0	0.0	0.1
	TOTAL	2	100.0	100.0	1,700	100.0	100.0	100.0

Other Purpose Line of Credit	Low	0	0.0	1.1	0	0.0	0.4	8.3
	Moderate	0	0.0	12.7	0	0.0	9.5	19.9
	Middle	0	0.0	50.2	0	0.0	47.1	43.6
	Upper	0	0.0	36.0	0	0.0	43.1	28.2
	Unknown	0	0.0	0.0	0	0.0	0.0	0.1
	TOTAL	0	0.0	100.0	0	0.0	100.0	100.0
Other Purpose Closed/Exempt	Low	1	14.3	7.0	21	8.9	3.7	8.3
	Moderate	1	14.3	14.9	30	12.7	10.1	19.9
	Middle	5	71.4	45.6	185	78.4	42.2	43.6
	Upper	0	0.0	32.5	0	0.0	43.9	28.2
	Unknown	0	0.0	0.0	0	0.0	0.0	0.1
	TOTAL	7	100.0	100.0	236	100.0	100.0	100.0
Purpose Not Applicable	Low	0	0.0	10.7	0	0.0	6.8	8.3
	Moderate	0	0.0	24.3	0	0.0	17.1	19.9
	Middle	0	0.0	40.0	0	0.0	41.7	43.6
	Upper	0	0.0	25.0	0	0.0	34.5	28.2
	Unknown	0	0.0	0.0	0	0.0	0.0	0.1
	TOTAL	0	0.0	100.0	0	0.0	100.0	100.0
HMDA TOTALS	Low	20	9.3	4.8	1,472	5.7	4.3	8.3
	Moderate	56	26.0	19.3	6,287	24.5	19.6	19.9
	Middle	111	51.6	40.9	13,960	54.4	37.2	43.6
	Upper	27	12.6	34.8	3,683	14.3	38.7	28.2
	Unknown	1	0.5	0.2	268	1.0	0.2	0.1
	TOTAL	215	100.0	100.0	25,670	100.0	100.0	100.0

The analysis of HMDA loans revealed excellent lending performance to borrowers residing in low-income geographies. The bank's total penetration of low-income census tracts by number of loans (9.3 percent) is above the percentage of owner-occupied housing units in low-income census tracts (8.3 percent) and well above the performance of the aggregate (4.8 percent). Similarly, the bank's performance in moderate-income census tracts (26.0 percent) is above that of both the demographic data (19.3 percent) and the aggregate performance of other lenders in the assessment area (19.9 percent). This represents excellent performance in moderate-income census tracts, and, therefore, overall performance of HMDA lending by geography is excellent.

Second, the bank's geographic distribution of small business loans was reviewed. The following table displays 2019 small business loan activity by geography income level compared to the location of businesses throughout this assessment area and 2019 small business aggregate data.

Geographic Distribution of Small Business Loans							
Assessment Area: Evansville							
Tract Income Levels	2019						
	Count			Dollar			Businesses
	Bank	Aggregate		Bank	Aggregate		
	#	%	%	\$ 000s	\$ %	\$ %	%
Low	5	5.7	10.2	297	2.0	13.0	11.8
Moderate	19	21.6	26.7	2,243	15.3	29.4	28.4
Middle	62	70.5	33.8	12,092	82.3	27.2	33.4
Upper	1	1.1	23.5	32	0.2	23.2	20.9
Unknown	1	1.1	5.8	37	0.3	7.2	5.5
TOTAL	88	100.0	100.0	14,701	100.0	100.0	100.0

The bank’s level of lending in low-income census tracts (5.7 percent) is below the estimated percentage of businesses operating inside these census tracts (11.8 percent) and aggregate lending levels in low-income census tracts (10.2 percent). Similarly, the bank’s level of lending in moderate-income census tracts (21.6 percent) is below both the estimated percentage of businesses (28.4 percent) and the aggregate performance (26.7 percent) in these tracts. The aforementioned long-standing business relationship the bank has with a single small business customer, however, led to the origination of 36 small business loans within the middle-income census tract where this organization is located. This significantly impacted the bank’s percentages as they relate to the number of loans originated in LMI census tracts. Consequently, the bank’s performance in both low- and moderate-income census tracts is reasonable, and overall small business loan distribution by geography is also reasonable.

Lastly, based on reviews from the HMDA lending category, Field & Main Bank had loan activity in 95.0 percent of all assessment area census tracts. Additionally, the bank had lending in all 29 separate LMI census tracts. Therefore, no conspicuous lending gaps were noted in LMI areas.

COMMUNITY DEVELOPMENT TEST

The bank’s overall community development performance demonstrates adequate responsiveness to the community development needs of the assessment area, considering the bank’s capacity and the need and availability of such opportunities for community development in the assessment area. The bank has addressed the community development needs of the assessment area through community development loans, qualified investments, and community development services.

During the review period, the bank extended three community development loans totaling \$795,750 in the assessment area. These loans were all targeting affordable housing, a need mentioned by community contacts, in the assessment area. Additionally, the bank originated 208 PPP loans within LMI geographies inside the assessment area totaling \$18.0 million. These PPP loans were especially responsive, considering the amounts the bank was willing to lend to borrowers located within the assessment area’s LMI geographies. Numerous loans originated were in amounts of less than \$10,000, including one loan for less than \$1,000. Loans in these amounts often go to smaller companies, which typically have the most difficulty in acquiring credit from traditional financial institutions.

At the time of the examination, the bank had one investment outstanding, purchased in a prior review period, that qualified for community development credit within the assessment area for a total of \$545,000. This bond was able to help revitalize and stabilize the assessment area by providing for a new fire station, which was to be built within the city of Henderson, where the entirety of the county's LMI census tracts are located. In addition to this investment, the bank also made 53 separate donations totaling \$83,453. These donations were to a range of different organizations providing community services to the local LMI geographic area as well as to LMI individuals. Three donations with considerable impact were made to two different entities specializing in affordable housing, Habitat for Humanity of Henderson County and the Audubon Kids Zone Project. These donations consisted of property that will be used by the organizations to further their goal of eliminating generational poverty as well as providing affordable housing to the community.

Lastly, bank employees used their financial expertise to assist numerous organizations that are involved in the assessment area. A significant number of employees volunteered throughout the review period, providing income tax preparation services for LMI individuals in the assessment area through VITA. Additionally, bank staff were engaged at the board level for numerous organizations, including Habitat for Humanity. Again, due to the need for affordable housing in the area stated by community contacts, this shows a level of responsiveness by the bank to the community's needs. In all, bank employees logged 1,121 service hours for various community development purposes.

KENTUCKY

CRA RATING FOR KENTUCKY:

The Lending Test is rated:

The Community Development Test is rated:

NEEDS TO IMPROVE

Needs to Improve

Needs to Improve

Major factors supporting the institution's Kentucky rating include the following.

- The distribution of loans in the Kentucky assessment areas reflects poor penetration among individuals of different income levels (including LMI levels) and businesses of different sizes.
- Overall, the geographic distribution of loans reflects poor dispersion throughout the Kentucky assessment areas.
- The bank's community development performance demonstrates poor responsiveness to community development needs through community development loans, qualified investments, and community development services, considering the need and availability for such opportunities for community development in the bank's assessment areas.

SCOPE OF EXAMINATION

Scoping considerations applicable to the review of Kentucky assessment areas are consistent with the overall CRA examination scope as presented in the *Institution, Scope of Examination* section. The bank's ratings in the state of Kentucky reflect a composite of the bank's performance in both of its assessment areas throughout the state; however, as only one of the bank's Kentucky assessment areas (Fayette County) was reviewed under full-scope procedures, this assessment area carries greater weight.

To augment the evaluation of the single full-scope review assessment area in Kentucky, two community contact interviews were conducted to ascertain specific community credit needs, community development opportunities, and local economic conditions. Details from these interviews are included in the *Description of Institution's Operations* section, as applicable to the assessment areas in which the community contacts were made.

DESCRIPTION OF INSTITUTION'S OPERATIONS IN KENTUCKY

Field & Main Bank operates two offices (33.3 percent of total branches) within the two CRA assessment areas in the state of Kentucky. The Fayette County assessment area is in the multicounty Fayette-Lexington, Kentucky MSA, and Harrison County is a separate one-county assessment area. The following table gives additional detail regarding the bank's operations within Kentucky.

Assessment Area	Offices		Deposits as of June 30, 2020		Review Procedures
	#	%	\$	%	
Fayette County	1	50.0	11,474	11.3	Full scope
Harrison County	1	50.0	89,626	88.7	Limited scope
TOTAL	2	100	101,100	100	1 – Full scope

As mentioned above, during the review period, the bank converted an LPO to a full-service branch in Fayette County, Kentucky, in May 2019 and relocated its sole branch in the Harrison County assessment area. Lastly, lending in the separate assessment areas was weighted more heavily to Fayette County, with \$2.9 million of lending in 2019, compared to Harrison County having only \$329,000.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN KENTUCKY

LENDING TEST

Field & Main Bank’s Lending Test rating for the state of Kentucky is needs to improve. The bank’s overall distribution of loans by borrower’s income and revenue profile reflects poor penetration among borrowers of different income levels and businesses of different sizes. Furthermore, the overall geographic distribution of loans reflects poor penetration throughout Kentucky assessment areas.

Geographic and Borrower Distribution

As displayed in the following tables, the bank’s performance by borrower’s income and revenue profile is poor in Kentucky.

Full-Scope Review Areas	Loan Distribution by Borrower’s Profile
Fayette County	Poor

Limited-Scope Review Areas	Loan Distribution by Borrower’s Profile
Harrison County	Consistent

The bank’s overall geographic distribution of loans reflects poor penetration throughout Kentucky.

Full-Scope Review Areas	Geographic Distribution of Loans
Fayette County	Poor

Limited-Scope Review Areas	Geographic Distribution of Loans
Harrison County	Exceeds

COMMUNITY DEVELOPMENT TEST

Field & Main Bank’s Community Development Test rating in the state of Kentucky is needs to improve. The bank’s overall community development performance demonstrates poor responsiveness to the community development needs of Kentucky assessment areas, considering the bank’s capacity and the need and availability of such opportunities for community development. Banks address the community development needs in assessment areas through community development loans, qualified investments, and community development services.

Full-Scope Review Areas	Community Development Performance
Fayette County	Poor

Limited-Scope Review Areas	Community Development Performance
Harrison County	Below

The bank extended 13 PPP loans totaling \$363,396, which qualified as community development loans within Kentucky assessment areas. All these loans were revitalization/stabilization efforts in Kentucky assessment areas. The bank did not have any qualified community development investments within the assessment areas, made four donations totaling \$2,050, and had just over 11 hours of qualified community services.

LEXINGTON-FAYETTE, KENTUCKY METROPOLITAN STATISTICAL AREA

(Full-Scope Review)

DESCRIPTION OF INSTITUTION’S OPERATIONS IN THE FAYETTE COUNTY ASSESSMENT AREA

Bank Structure

The bank operates one of its six offices (16.7 percent) in this assessment area. This branch is located in a middle-income census tract in downtown Lexington. This location was an LPO at the previous examination and was converted to a full-service branch in May 2019, which resulted in a new assessment area for the bank. No other branch changes have occurred in this assessment area over the review period. Based on its limited branch network and the size of the county, the bank faces difficulty in delivering financial services to the entirety of the assessment area.

General Demographics

The assessment area consists of Fayette County in its entirety. This is the bank’s primary assessment area for the state of Kentucky and is in the north central portion of the state. As of the 2015 ACS, the assessment area population was 308,306. Of the 31 FDIC-insured depository institutions with a branch presence in this assessment area, the bank ranked 26th in deposit market share, encompassing 0.1 percent of total deposit dollars.

Credit needs in the assessment area include a mix of consumer and business loan products. Other credit needs in the assessment area, noted primarily from community contacts, include low dollar consumer loans. Contacts noted that, within this assessment area, significant numbers of LMI individuals in the area rely on payday lenders, as these loans are not available through traditional financial institutions.

Income and Wealth Demographics

The following table summarizes the distribution of assessment area census tracts by income level and the family population within those tracts.

Assessment Area Demographics by Geography Income Level						
Dataset	Low-	Moderate-	Middle-	Upper-	Unknown	TOTAL
Census Tracts	10	18	28	26	0	82
	12.2%	22.0%	34.1%	31.7%	0.0%	100%
Family Population	6,873	14,261	23,796	27,536	0	72,466
	9.5%	19.7%	32.8%	38.0%	0.0%	100%

As shown above, 34.2 percent of the census tracts in the assessment area are LMI geographies, but only 29.2 percent of the family population resides in these tracts. The low-income census tracts are concentrated in the north and west of Lexington, Kentucky, whereas the moderate-income census tracts are spread throughout the county.

Based on 2015 ACS data, the median family income for the assessment area was \$67,966. At the same time, the median family income for Kentucky was \$55,367. More recently, the FFIEC estimates the 2019 median family income for the Lexington-Fayette MSA to be \$74,500. The following table displays population percentages of assessment area families by income level compared to the Kentucky family populations.

Family Population by Income Level					
Dataset	Low-	Moderate-	Middle-	Upper-	TOTAL
Fayette County	16,897	11,413	13,267	30,889	72,466
	23.3%	15.8%	18.3%	42.6%	100%
State of Kentucky	259,442	191,208	220,940	465,148	1,136,718
	22.8%	16.8%	19.4%	40.9%	100%

As shown in the table above, 39.1 percent of families within the assessment area were considered LMI, which is slightly below the LMI family level of 39.6 percent in Kentucky. The percentage of families living below the poverty level in the assessment area, 12.1 percent, is below the 14.4 percent level in the state of Kentucky. Considering these factors, the assessment area appears slightly more affluent than the state of Kentucky as a whole.

Housing Demographics

As displayed in the following table, homeownership in the assessment area is less affordable compared to the state of Kentucky.

Housing Demographics			
Dataset	Median Housing Value	Affordability Ratio	Median Gross Rent (Monthly)
Assessment Area	\$168,134	29.6%	\$778
State of Kentucky	\$123,200	35.5%	\$675

Median gross rent was significantly higher than the state of Kentucky as a whole. Additionally, the median housing value in the assessment area was over 36 percent higher than Kentucky. Lastly, the affordability ratio in the area was considerably lower than the statewide average. When taken together, these factors indicate that homeownership may be out of reach for LMI individuals living within the assessment area when compared to the ability of those living in other locations throughout Kentucky.

Industry and Employment Demographics

The assessment area supports a large and diverse business community, including a strong small business sector. County business patterns indicate that there are 153,441 paid employees in the assessment area. By percentage of employees, the three largest job categories in the assessment area are healthcare and social assistance (16.2 percent), followed by retail trade (13.3 percent) and accommodation and food services (13.3 percent). The table below details unemployment data from the U.S. Department of Labor, Bureau of Labor Statistics (not seasonally adjusted) for Fayette County.

Unemployment Levels				
Dataset	Time Period (Annual Average)			
	2017	2018	2019	2020
Fayette County	3.7%	3.3%	3.3%	5.8%
State of Kentucky	4.9%	4.3%	4.3%	6.7%

As shown in the table above, unemployment levels decreased in both the assessment area and Kentucky between 2017 and 2019. Both the state of Kentucky and Fayette County saw significant increases in their unemployment rate in 2020 due to the pandemic; however, the assessment area consistently had a lower unemployment rate than the state of Kentucky throughout the time period under review.

Community Contact Information

For the Fayette County assessment area, two community contact interviews were completed as part of this evaluation. One of the interviews was with an individual specializing in affordable housing for LMI individuals, and the other interview was conducted with an individual affiliated with a community development financial institution.

Both community contacts characterized the economy of the assessment area as growing. A considerable portion of this growth is attributed to the presence of the University of Kentucky, which is one of the largest employers in the area. The pandemic, however, has recently negatively impacted the economy largely due to students learning remotely, instead of being on campus. As a result, this has significantly decreased both the number of local consumers and the area workforce, as many service industry jobs were previously held by college students. Outside of the university, manufacturing was mentioned by both contacts as being a significant source of jobs, though this too was impacted by the pandemic considerably, with numerous plant lines being closed for extended periods of time.

According to the contacts, while the area in general is prosperous, concentrations of LMI residents can be found in the central downtown Lexington area and the eastern side of Fayette County. Poverty levels are elevated in these areas largely due to low wages, high housing costs, and low education levels. Both contacts indicated that there are limited bank branches in these areas, and thus many LMI residents are unbanked and rely on alternative lenders for their credit needs.

Barriers to homeownership for these residents include poor credit histories and high debt-to-income ratios, and while there are safe, affordable rental units in the assessment area, there are long waiting lists for available units.

As noted by the contacts, affordable single-family homes for LMI individuals are lacking in the assessment area. The reasons for this are multifaceted; however, the main drivers are related to older housing stock in need of repairs, landlords purchasing available single-family homes for rental purposes, and developers tearing down single-family housing stock to construct new higher-priced homes in the area. This also has led to a need for home improvement loans to allow senior LMI residents to update their older homes. Lastly, down payment assistance programs were cited by the contacts as being a need for LMI individuals to transition from renting to homeownership.

The small business environment in the assessment area is highly competitive. Some barriers for small business owners include the inability to meet lending standards due to poor credit and lack of collateral, cost of space, and the lack of access to small dollar business loans.

According to the community contacts, financial institutions have significant opportunities for community development within the local community, including partnering with area community development organizations and investing in New Market Tax Credits. In addition to targeted mortgage programs for LMI and small dollar personal loans, both contacts noted that financial literacy education is a need in the area for students in the local high schools and amongst LMI adults.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN THE FAYETTE COUNTY ASSESSMENT AREA

LENDING TEST

The bank’s overall distribution of loans by borrower’s income/revenue profile reflects poor penetration among borrowers of different income levels and businesses of different revenue sizes. Furthermore, the geographic distribution of loans reflects poor penetration throughout the Fayette County assessment area.

Loan Distribution by Borrower’s Profile

Overall, the bank’s loan distribution by borrower’s profile is poor, based on performance from both loan categories reviewed. The bank’s HMDA loan distribution performance by borrower’s profile is poor, and performance under the small business loan category is poor as well.

Borrowers are classified into low-, moderate-, middle-, and upper-income categories by comparing their reported income to the applicable median family income figure as estimated by the FFIEC (\$74,500 for the Lexington-Fayette MSA as of 2019). The following table shows the distribution of HMDA-reported loans by borrower income level in comparison to family population income demographics for the assessment area. Additionally, 2019 aggregate data for the assessment area is displayed.

Borrower Distribution of Residential Real Estate Loans								
Assessment Area: Fayette County								
Product Type	Borrower Income Levels	2019						
		Count			Dollar			Families
		Bank		HMDA Aggregate	Bank		HMDA Aggregate	
		#	%	%	\$ (000s)	\$ %	\$ %	
Home Purchase	Low	0	0.0	9.5	0	0.0	5.4	23.3
	Moderate	0	0.0	21.4	0	0.0	15.8	15.7
	Middle	2	66.7	20.5	487	54.1	18.4	18.3
	Upper	1	33.3	37.9	414	45.9	49.7	42.6
	Unknown	0	0.0	10.8	0	0.0	10.6	0.0
	TOTAL	3	100.0	100.0	901	100.0	100.0	100.0
Refinance	Low	0	0.0	8.0	0	0.0	4.1	23.3
	Moderate	0	0.0	15.3	0	0.0	9.8	15.7
	Middle	0	0.0	20.3	0	0.0	16.5	18.3
	Upper	4	36.4	41.4	1,070	54.2	54.6	42.6
	Unknown	7	63.6	15.1	903	45.8	15.0	0.0
	TOTAL	11	100.0	100.0	1,973	100.0	100.0	100.0

Home Improvement	Low	0	0.0	6.4	0	0.0	3.7	23.3
	Moderate	0	0.0	18.2	0	0.0	11.9	15.7
	Middle	0	0.0	22.0	0	0.0	17.9	18.3
	Upper	0	0.0	50.7	0	0.0	63.2	42.6
	Unknown	0	0.0	2.7	0	0.0	3.3	0.0
	TOTAL	0	0.0	100.0	0	0.0	100.0	100.0
Multifamily	Low	0	0.0	0.9	0	0.0	0.1	23.3
	Moderate	0	0.0	0.0	0	0.0	0.0	15.7
	Middle	0	0.0	0.0	0	0.0	0.0	18.3
	Upper	0	0.0	5.4	0	0.0	1.5	42.6
	Unknown	0	0.0	93.7	0	0.0	98.5	0.0
	TOTAL	0	0.0	100.0	0	0.0	100.0	100.0
Other Purpose Line of Credit	Low	0	0.0	9.4	0	0.0	5.7	23.3
	Moderate	0	0.0	18.7	0	0.0	11.9	15.7
	Middle	0	0.0	21.4	0	0.0	19.8	18.3
	Upper	0	0.0	48.0	0	0.0	60.7	42.6
	Unknown	0	0.0	2.5	0	0.0	1.9	0.0
	TOTAL	0	0.0	100.0	0	0.0	100.0	100.0
Other Purpose Closed/Exempt	Low	0	0.0	6.0	0	0.0	2.7	23.3
	Moderate	0	0.0	19.5	0	0.0	17.5	15.7
	Middle	0	0.0	24.2	0	0.0	14.1	18.3
	Upper	0	0.0	45.0	0	0.0	60.1	42.6
	Unknown	0	0.0	5.4	0	0.0	5.7	0.0
	TOTAL	0	0.0	100.0	0	0.0	100.0	100.0
Purpose Not Applicable	Low	0	0.0	0.0	0	0.0	0.0	23.3
	Moderate	0	0.0	2.3	0	0.0	2.3	15.7
	Middle	0	0.0	0.8	0	0.0	2.0	18.3
	Upper	0	0.0	3.9	0	0.0	7.4	42.6
	Unknown	0	0.0	93.0	0	0.0	88.3	0.0
	TOTAL	0	0.0	100.0	0	0.0	100.0	100.0
HMDA TOTALS	Low	0	0.0	8.5	0	0.0	4.1	23.3
	Moderate	0	0.0	18.5	0	0.0	11.3	15.7
	Middle	2	14.3	20.2	487	16.9	14.9	18.3
	Upper	5	35.7	39.8	1,484	51.6	44.3	42.6
	Unknown	7	50.0	12.9	903	31.4	25.3	0.0
	TOTAL	14	100.0	100.0	2,874	100.0	100.0	100.0

As displayed in the preceding table, the bank did not originate any residential real estate loans to low- or moderate-income borrowers in the assessment area. This is below the low-income family population figure (23.3 percent) and below the aggregate lending level to low-income borrowers (8.5 percent), reflecting poor performance. Similarly, the bank's level of lending is below the moderate-

income family population percentage (15.7 percent) as well as the aggregate lending levels (18.5 percent), reflecting poor performance, and overall poor performance in the residential real estate lending.

Next, small business loans were reviewed to determine the bank’s lending levels to businesses of different sizes. The following table shows the distribution of 2019 small business loans by loan amount and business revenue size compared to Dun & Bradstreet and aggregate data.

Small Business Loans by Revenue and Loan Size								
Assessment Area: Fayette County								
Business Revenue and Loan Size		2019						
		Count			Dollars			Total Businesses
		Bank		Aggregate	Bank		Aggregate	
		#	%	%	\$ (000s)	\$ %	\$ %	%
Business Revenue	\$1 Million or Less	0	0.0	46.4	0	0.0	38.1	90.6
	Over \$1 Million/ Unknown	2	100.0	53.6	1,908	100.0	61.9	9.4
	TOTAL	2	100.0	100.0	1,908	100.0	100.0	100.0
Loan Size	\$100,000 or Less	1	50.0	90.7	25	1.3	30.0	
	\$100,001– \$250,000	0	0.0	4.5	0	0.0	17.2	
	\$250,001– \$1 Million	0	0.0	4.7	0	0.0	52.8	
	Over \$1 Million	1	50.0	0.0	1,883	98.7	0.0	
	TOTAL	2	100.0	100.0	1,908	100.0	100.0	
Loan Size	Revenue \$1 Million or Less	\$100,000 or Less	0	0.0		0	0.0	
		\$100,001–\$250,000	0	0.0		0	0.0	
		\$250,001– \$1 Million	0	0.0		0	0.0	
		Over \$1 Million	0	0.0		0	0.0	
		TOTAL	0	0.0		0	0.0	

The bank’s level of lending to small businesses is poor. The bank did not originate any small business loans to any businesses with revenues of \$1 million or less in 2019. In comparison, assessment area demographics estimate that 90.6 percent of businesses in the assessment area had annual revenues of \$1 million or less, and the aggregate lending level to small businesses is 46.4 percent.

Geographic Distribution of Loans

As noted previously, the Fayette County assessment area includes 10 low-income and 18 moderate-income census tracts, representing 34.2 percent of all assessment area census tracts. Overall, the bank’s geographic distribution of loans in this assessment area reflects poor penetration throughout these LMI census tracts, based on the HMDA and small business loan categories.

The following table displays the geographic distribution of 2019 HMDA loans compared to owner-occupied housing demographics for the assessment area and aggregate data.

Geographic Distribution of Residential Real Estate Loans								
Assessment Area: Fayette County								
Product Type	Tract Income Levels	2019						
		Count			Dollar			Owner-Occupied Units
		Bank		HMDA Aggregate	Bank		HMDA Aggregate	
		#	%	%	\$ (000s)	\$ %	\$ %	%
Home Purchase	Low	0	0.0	5.2	0	0.0	3.6	6.3
	Moderate	0	0.0	15.4	0	0.0	9.7	16.2
	Middle	2	66.7	34.2	487	54.1	31.6	35.2
	Upper	1	33.3	45.1	414	45.9	55.1	42.3
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	TOTAL	3	100.0	100.0	901	100.0	100.0	100.0
Refinance	Low	0	0.0	4.4	0	0.0	2.7	6.3
	Moderate	2	18.2	12.5	169	8.6	8.0	16.2
	Middle	4	36.4	32.8	384	19.5	29.6	35.2
	Upper	5	45.5	50.3	1,420	72.0	59.7	42.3
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	TOTAL	11	100.0	100.0	1,973	100.0	100.0	100.0
Home Improvement	Low	0	0.0	4.3	0	0.0	3.7	6.3
	Moderate	0	0.0	12.7	0	0.0	9.0	16.2
	Middle	0	0.0	35.0	0	0.0	33.8	35.2
	Upper	0	0.0	47.9	0	0.0	53.5	42.3
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	TOTAL	0	0.0	100.0	0	0.0	100.0	100.0
Multifamily	Low	0	0.0	25.2	0	0.0	7.2	6.3
	Moderate	0	0.0	35.1	0	0.0	43.8	16.2
	Middle	0	0.0	21.6	0	0.0	37.4	35.2
	Upper	0	0.0	18.0	0	0.0	11.6	42.3
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	TOTAL	0	0.0	100.0	0	0.0	100.0	100.0
Other Purpose Line of Credit	Low	0	0.0	2.3	0	0.0	1.9	6.3
	Moderate	0	0.0	10.5	0	0.0	5.8	16.2
	Middle	0	0.0	32.3	0	0.0	25.7	35.2
	Upper	0	0.0	54.9	0	0.0	66.6	42.3
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	TOTAL	0	0.0	100.0	0	0.0	100.0	100.0

Other Purpose Closed/Exempt	Low	0	0.0	6.7	0	0.0	4.8	6.3
	Moderate	0	0.0	13.4	0	0.0	8.8	16.2
	Middle	0	0.0	29.5	0	0.0	24.6	35.2
	Upper	0	0.0	50.3	0	0.0	61.8	42.3
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	TOTAL	0	0.0	100.0	0	0.0	100.0	100.0
Purpose Not Applicable	Low	0	0.0	7.0	0	0.0	4.1	6.3
	Moderate	0	0.0	25.6	0	0.0	19.2	16.2
	Middle	0	0.0	40.3	0	0.0	41.7	35.2
	Upper	0	0.0	27.1	0	0.0	35.0	42.3
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	TOTAL	0	0.0	100.0	0	0.0	100.0	100.0
HMDA TOTALS	Low	0	0.0	5.0	0	0.0	3.8	6.3
	Moderate	2	14.3	14.3	169	5.9	14.2	16.2
	Middle	6	42.9	33.6	871	30.3	31.8	35.2
	Upper	6	42.9	47.1	1,834	63.8	50.1	42.3
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	TOTAL	14	100.0	100.0	2,874	100.0	100.0	100.0

The analysis of HMDA loans revealed poor lending performance to borrowers residing in low-income geographies. The bank's total penetration of low-income census tracts by number of loans (0.0 percent) is below the percentage of owner-occupied housing units in low-income census tracts (6.3 percent) and below the performance of the aggregate (5.0 percent). The bank's performance in moderate-income census tracts (14.3 percent) is in line with the aggregate data (14.3 percent) and slightly below the demographic data in the assessment area (16.2 percent). This represents reasonable performance in moderate-income census tracts. When taking into consideration that the bank only operated in the assessment area for part of the analysis year, overall HMDA lending performance to borrowers residing in LMI census tracts is reasonable.

Second, the bank's geographic distribution of small business loans was reviewed. The following table displays 2019 small business loan activity by geography income level compared to the location of businesses throughout this assessment area and 2019 small business aggregate data.

Geographic Distribution of Small Business Loans Assessment Area: Fayette County							
Tract Income Levels	2019						
	Count			Dollar			Businesses
	Bank		Aggregate	Bank		Aggregate	
	#	%	%	\$ (000s)	\$ %	\$ %	%
Low	0	0.0	7.8	0	0.0	9.1	7.7
Moderate	0	0.0	17.4	0	0.0	14.3	16.5
Middle	1	50.0	37.9	1,883	98.7	44.7	41.5
Upper	1	50.0	35.8	25	1.3	31.6	34.3
Unknown	0	0.0	1.1	0	0.0	0.3	0.0
TOTAL	2	100.0	100.0	1,908	100.0	100.0	100.0

The bank's level of lending in low-income census tracts (0.0 percent) is below the estimated percentage of businesses operating inside these census tracts (7.7 percent) and aggregate lending levels in low-income census tracts (7.8 percent). This represents poor performance. Similarly, the bank's level of lending in moderate-income census tracts (0.0 percent) is below both the estimated percentage of businesses (16.5 percent) and the aggregate performance (17.4 percent) in these tracts. This, again, represents poor performance; therefore, overall small business lending performance in LMI census tracts is poor.

Lastly, based on reviews of all lending categories, Field & Main Bank had loan activity in only 15.9 percent of all assessment area census tracts. The bank did not originate any loans in low-income census tracts and in only two moderate-income census tracts (11.1 percent). Similarly, the bank originated loans in only 6 of 28 middle-income census tracts (21.4 percent) and 5 of 26 upper-income census tracts (19.2 percent). However, when considering the limited branching structure, the brief time operating in the market during 2019, and the geographic size of the assessment area, this is reasonable. Therefore, no conspicuous lending gaps were noted in LMI areas.

COMMUNITY DEVELOPMENT TEST

The bank demonstrates poor responsiveness to community development needs within the Fayette County assessment area, considering the bank's capacity and the need and availability of such opportunities for community development.

During the review period, the bank extended 13 PPP loans for a total of \$363,396 within the community. The bank, however, did not make any qualified investments within the assessment area. Additionally, the bank made three donations for \$2,000. Lastly, just 11 hours of community development services were performed within the assessment area by bank employees.

NONMETROPOLITAN KENTUCKY STATEWIDE AREA

(Limited-Scope Review)

DESCRIPTION OF INSTITUTION’S OPERATIONS IN THE HARRISON COUNTY ASSESSMENT AREA

This assessment area includes the entirety of Harrison County in a nonmetropolitan portion of Kentucky. The bank operates one office in this assessment area. The tables below detail key demographics relating to this assessment area.

Assessment Area Demographics by Population Income Level					
Demographic Type	Population Income Level				TOTAL
	Low-	Moderate-	Middle-	Upper-	
Family Population	1,102	728	709	2,111	4,650
	23.7	15.7	15.3	45.4	100
Household Population	1,931	1,007	1,204	2,978	7,120
	27.1	14.1	16.9	41.8	100

Assessment Area Demographics by Geography Income Level						
Dataset	Geography Income Level					TOTAL
	Low-	Moderate-	Middle-	Upper-	Unknown-	
Census Tracts	0	0	4	1	0	5
	0.0	0.0	80.0	20.0	0.0	100
Family Population	0	0	3,523	1,127	0	4,650
	0.0	0.0	75.8	24.2	0.0	100
Household Population	0	0	5,250	1,870	0	7,120
	0.0	0.0	73.7	26.3	0.0	100
Business Institutions	0	0	344	186	0	530
	0.0	0.0	64.9	35.1	0.0	100

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN THE HARRISON COUNTY ASSESSMENT AREA

LENDING TEST

The bank’s Lending Test performance in this assessment area is consistent with the bank’s Lending Test performance in the assessment area within the MSA portion of the state of Kentucky that was reviewed using full-scope procedures, as detailed in the following table. For more detailed information relating to the bank’s Lending Test performance in this assessment area, see the tables in *Appendix C*.

Lending Test Criteria	Performance
Distribution of Loans by Borrower’s Profile	Consistent
Geographic Distribution of Loans	Exceeds
Overall	Consistent

COMMUNITY DEVELOPMENT TEST

The bank’s Community Development Test performance in this assessment area is below the bank’s Community Development Test performance in the assessment area within the MSA portion of the state of Kentucky that was reviewed using full-scope procedures.

During the review period, the bank did not originate any community development loans or investments. Additionally, the bank made one qualified donation for \$50 and did not provide any qualified community services to the assessment area.

SCOPE OF EXAMINATION TABLES

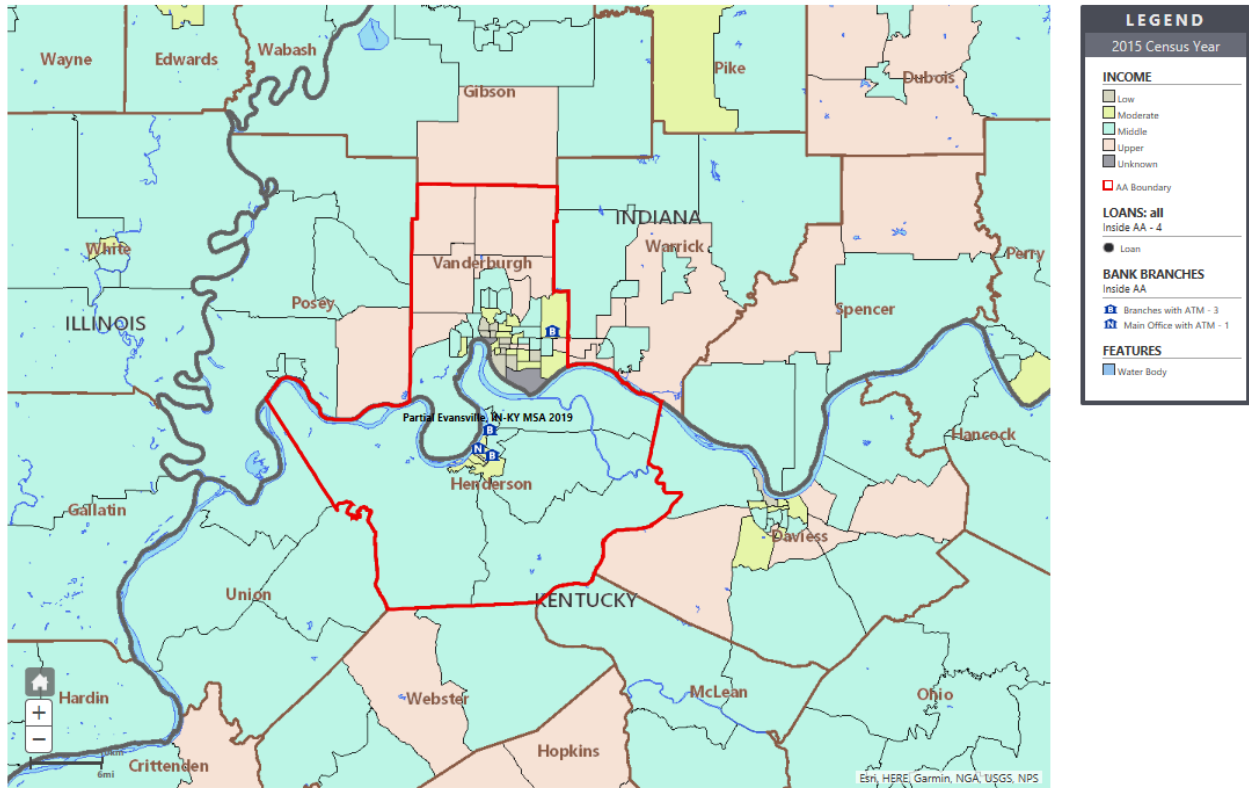
Scope of Examination		
TIME PERIOD REVIEWED	January 1, 2019 – December 31, 2019 for HMDA and small business lending August 15, 2016 – April 4, 2021 for community development loans, investments, and service activities	
FINANCIAL INSTITUTION Field & Main Bank Henderson, Kentucky		PRODUCTS REVIEWED HMDA Small Business
AFFILIATE(S) N/A	AFFILIATE RELATIONSHIP N/A	PRODUCTS REVIEWED N/A

Assessment Area – Examination Scope Details					
Assessment Area	Rated Area	# of Offices	Deposits (000s) (as of June 30, 2020)	Branches Visited	CRA Review Procedures
Evansville	Evansville MSA	4	\$360,239	0	Full scope
Fayette County	Kentucky	1	\$11,474	0	Full scope
Harrison County	Kentucky	1	\$89,626	0	Limited scope
OVERALL		6	\$461,339	0	2 Full scope

Evansville, Indiana-Kentucky MSA Assessment Area Map

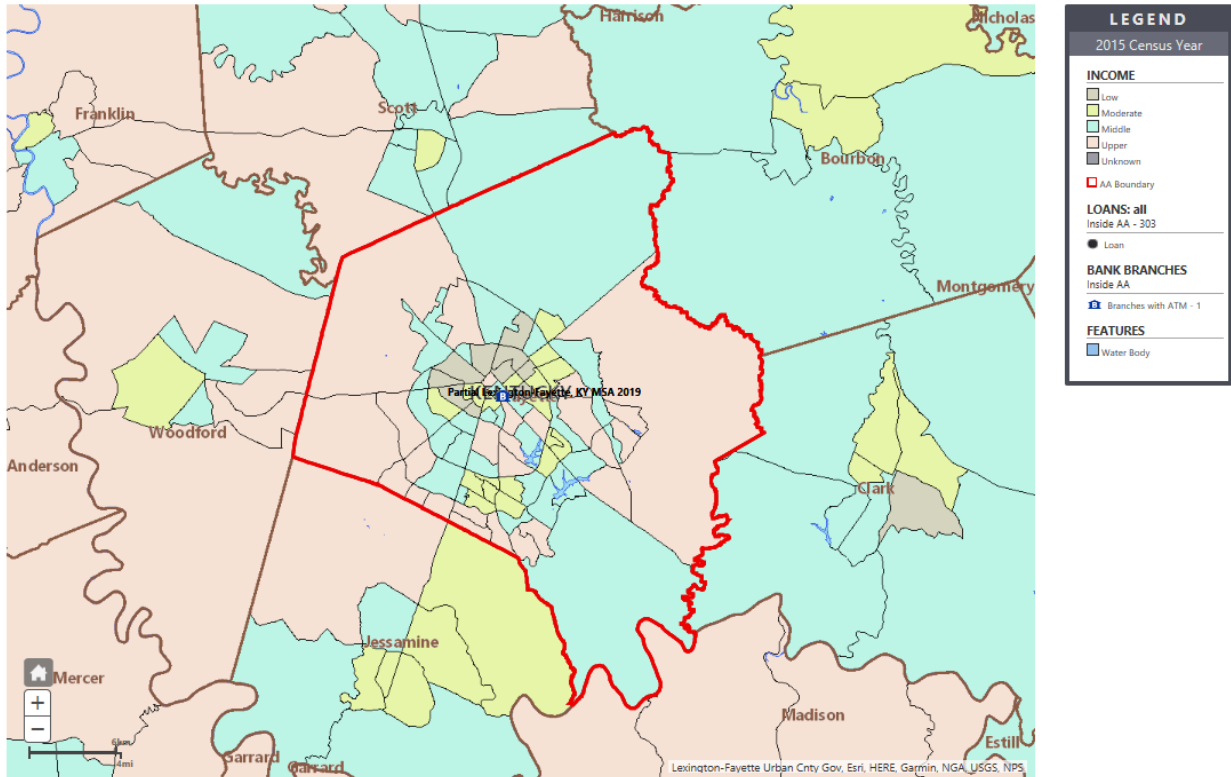
Field and Main Henderson, KY 2021

Partial Evansville, IN-KY MSA



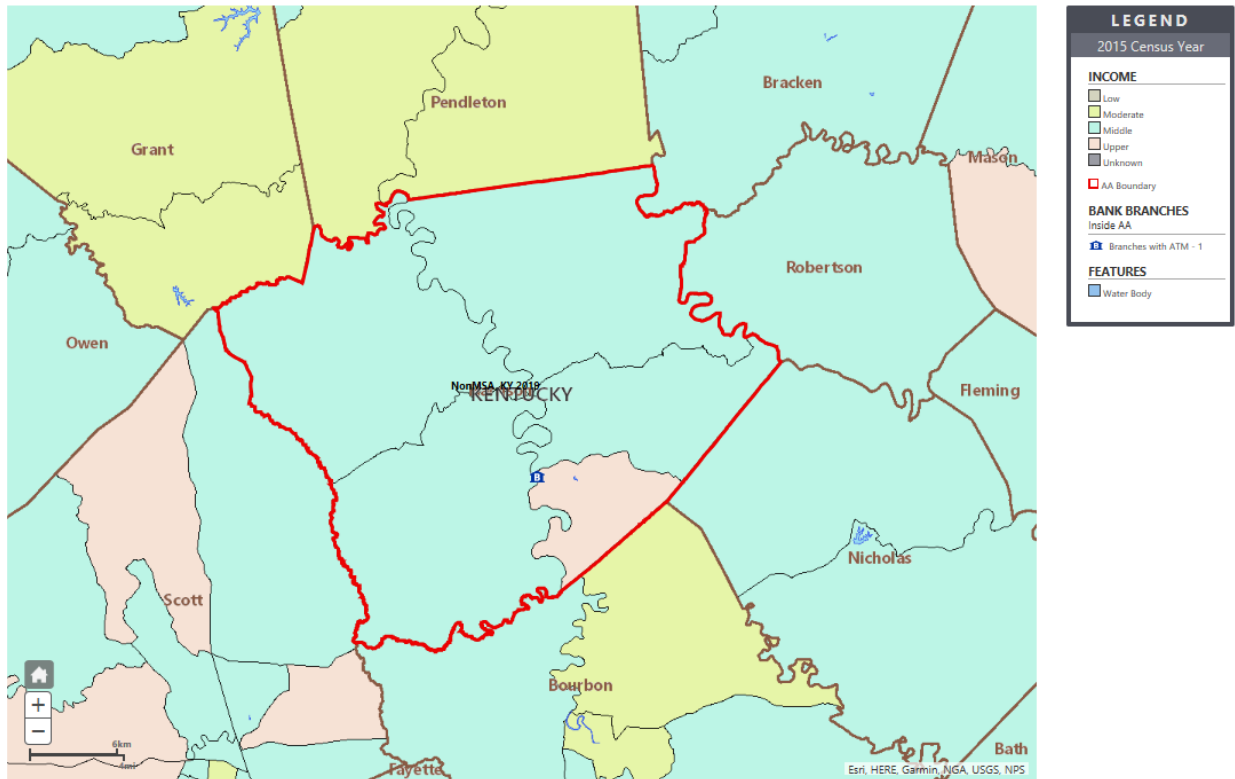
Fayette County, Kentucky Assessment Area Map

Field and Main Henderson, KY 2021
Partial Lexington, KY MSA



Harrison County, Kentucky Assessment Area Map

Field and Main Henderson, KY 2021
NonMSA, KY



SUMMARY OF STATE AND MULTISTATE MSA RATINGS

State or Multistate MSA	Lending Test Rating	Community Development Test Rating	Overall Rating
Evansville MSA	Satisfactory	Satisfactory	Satisfactory
State of Kentucky	Poor	Poor	Poor

**LENDING PERFORMANCE TABLES FOR LIMITED-SCOPE REVIEW
ASSESSMENT AREAS**

Kentucky

Harrison County Assessment Area

Borrower Distribution of Residential Real Estate Loans									
Assessment Area: Harrison County									
Product Type	Borrower Income Levels	2019							
		Count			Dollar				Families
		Bank		HMDA Aggregate	Bank		HMDA Aggregate		
		#	%	%	\$ (000s)	\$ %	\$ %	%	
Home Purchase	Low	0	0.0	1.8	0	0.0	0.9	23.7	
	Moderate	0	0.0	14.3	0	0.0	10.5	15.7	
	Middle	0	0.0	28.2	0	0.0	23.5	15.2	
	Upper	1	100.0	43.9	255	100.0	54.7	45.4	
	Unknown	0	0.0	11.8	0	0.0	10.3	0.0	
	TOTAL	1	100.0	100.0	255	100.0	100.0	100.0	
Refinance	Low	0	0.0	5.0	0	0.0	3.4	23.7	
	Moderate	0	0.0	4.2	0	0.0	2.2	15.7	
	Middle	0	0.0	11.8	0	0.0	7.2	15.2	
	Upper	1	100.0	58.8	74	100.0	63.6	45.4	
	Unknown	0	0.0	20.2	0	0.0	23.6	0.0	
	TOTAL	1	100.0	100.0	74	100.0	100.0	100.0	
Home Improvement	Low	0	0.0	13.6	0	0.0	7.1	23.7	
	Moderate	0	0.0	9.1	0	0.0	8.6	15.7	
	Middle	0	0.0	27.3	0	0.0	27.1	15.2	
	Upper	0	0.0	50.0	0	0.0	57.2	45.4	
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0	
	TOTAL	0	0.0	100.0	0	0.0	100.0	100.0	
Multifamily	Low	0	0.0	0.0	0	0.0	0.0	23.7	
	Moderate	0	0.0	0.0	0	0.0	0.0	15.7	
	Middle	0	0.0	0.0	0	0.0	0.0	15.2	
	Upper	0	0.0	0.0	0	0.0	0.0	45.4	
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0	
	TOTAL	0	0.0	0.0	0	0.0	0.0	100.0	

Appendix D (continued)

Other Purpose Line of Credit	Low	0	0.0	14.3	0	0.0	6.7	23.7
	Moderate	0	0.0	7.1	0	0.0	13.9	15.7
	Middle	0	0.0	14.3	0	0.0	16.8	15.2
	Upper	0	0.0	64.3	0	0.0	62.6	45.4
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	TOTAL	0	0.0	100.0	0	0.0	100.0	100.0
Other Purpose Closed/Exempt	Low	0	0.0	25.0	0	0.0	22.1	23.7
	Moderate	0	0.0	25.0	0	0.0	42.2	15.7
	Middle	0	0.0	25.0	0	0.0	22.5	15.2
	Upper	0	0.0	25.0	0	0.0	13.3	45.4
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	TOTAL	0	0.0	100.0	0	0.0	100.0	100.0
Purpose Not Applicable	Low	0	0.0	0.0	0	0.0	0.0	23.7
	Moderate	0	0.0	0.0	0	0.0	0.0	15.7
	Middle	0	0.0	0.0	0	0.0	0.0	15.2
	Upper	0	0.0	0.0	0	0.0	0.0	45.4
	Unknown	0	0.0	100.0	0	0.0	100.0	0.0
	TOTAL	0	0.0	100.0	0	0.0	100.0	100.0
HMDA TOTALS	Low	0	0.0	3.8	0	0.0	1.9	23.7
	Moderate	0	0.0	10.9	0	0.0	7.9	15.7
	Middle	0	0.0	22.6	0	0.0	18.0	15.2
	Upper	2	100.0	47.5	329	100.0	56.1	45.4
	Unknown	0	0.0	15.3	0	0.0	16.1	0.0
	TOTAL	2	100.0	100.0	329	100.0	100.0	100.0

Appendix D (continued)

Small Business Loans by Revenue and Loan Size Assessment Area: Harrison County								
Business Revenue and Loan Size		2019						Total Businesses
		Count			Dollars			
		Bank		Aggregate	Bank		Aggregate	
		#	%	%	\$ (000s)	\$ %	\$ %	
Business Revenue	\$1 Million or Less	2	100.0	42.9	1,744	100.0	35.2	91.5
	Over \$1 Million/ Unknown	0	0.0	57.1	0	0.0	64.8	8.5
	TOTAL	2	100.0	100.0	1,744	100.0	100.0	100.0
Loan Size	\$100,000 or Less	1	50.0	90.7	25	1.4	37.3	
	\$100,001– \$250,000	0	0.0	6.0	0	0.0	30.1	
	\$250,001 – \$1 Million	0	0.0	3.3	0	0.0	32.6	
	Over \$1 Million	1	50.0	0.0	1,719	98.6	0.0	
	TOTAL	2	100.0	100.0	1,744	100.0	100.0	
Loan Size	Revenue \$1 Million or Less	\$100,000 or Less	1	50.0		25	1.4	
		\$100,001– \$250,000	0	0.0		0	0.0	
		\$250,001 – \$1 Million	0	0.0		0	0.0	
		Over \$1 Million	1	50.0		1,719	98.6	
		TOTAL	2	100.0		1,744	100.0	

GLOSSARY

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.

Assessment area: One or more of the geographic areas delineated by the bank and used by the regulatory agency to assess an institution's record of CRA performance.

Census tract: A small subdivision of metropolitan and nonmetropolitan 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 on 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 contact: Interviews conducted as part of the CRA examination to gather information that might assist examiners in understanding the bank's community, available opportunities for helping to meet local credit and community development needs, and perceptions on the performance of financial institutions in helping meet local credit needs. Communications and information gathered can help to provide a context to assist in the evaluation of an institution's CRA performance.

Community development: An activity associated with one of the following five descriptions: (1) affordable housing (including multifamily rental housing) for low- or moderate-income individuals; (2) community services targeted to low- or moderate-income individuals; (3) 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; (4) activities that revitalize or stabilize low- or moderate-income geographies, designated disaster areas, or distressed or underserved nonmetropolitan middle-income geographies; or (5) Neighborhood Stabilization Program (NSP) eligible activities in areas with HUD-approved NSP plans, which are conducted within two years after the date when NSP program funds are required to be spent and benefit low-, moderate-, and middle-income individuals and geographies.

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.

Demographics: The statistical characteristics of human populations (e.g., age, race, sex, and income) used especially to identify markets.

Distressed nonmetropolitan middle-income geography: A middle-income, nonmetropolitan geography will be designated as distressed if it is in a county that meets one or more of the following triggers: (1) an unemployment rate of at least 1.5 times the national average, (2) a poverty rate of 20 percent or more, or (3) a population loss of 10 percent or more between the previous and most recent decennial census or a net migration loss of 5 percent or more over the 5-year period preceding the most recent census.

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 nonrelatives 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 who 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 income of applicants; the amount of loan requested; and the disposition of the application (e.g., 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 refinancing of home improvement and home purchase loans.

Household: One or more persons who occupy a housing unit. The occupants may be a single family, one person living alone, two or more families living together, or any other group of related or unrelated persons who share living arrangements.

Housing affordability ratio: Calculated by dividing the median household income by the median housing value. It represents the amount of single family, owner-occupied housing that a dollar of income can purchase for the median household in the census tract. Values closer to 100 percent indicate greater affordability.

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 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.

Median family income: The dollar amount that divides the family income distribution into two equal groups, half having incomes above the median, half having incomes below the median. The median family income is based on all families within the area being analyzed.

Metropolitan area (MA): A metropolitan statistical area (MSA) or a metropolitan division (MD) as defined by the Office of Management and Budget. An 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. An MD is a division of an MSA based on specific criteria including commuting patterns. Only an 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.

Nonmetropolitan statistical area (nonMSA): Not part of a metropolitan area. (See metropolitan area.)

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.

Performance context: The performance context is a broad range of economic, demographic, and institution- and community-specific information that an examiner reviews to understand the context in which an institution's record of performance should be evaluated. The performance context is not a formal or written assessment of community credit needs.

Performance criteria: These are the different criteria against which a bank's performance in helping to meet the credit needs of its assessment area(s) is measured. The criteria relate to lending, investment, retail service, and community development activities performed by a bank. The performance criteria have both quantitative and qualitative aspects. There are different sets of criteria for large banks, intermediate small banks, small banks, wholesale/limited purpose banks, and strategic plan banks.

Performance evaluation (PE): A written evaluation of a financial institution's record of meeting the credit needs of its community, as prepared by the federal financial supervision agency responsible for supervising the institution.

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 businesses/small farms: A small business/farm is considered to be one in which gross annual revenues for the preceding calendar year were \$1 million or less.

Small loan(s) to business(es): That is, "small business loans" are included in "loans to small businesses" as defined in the Consolidated Reports 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 secured either 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): That is, "small farm loans" are included in "loans to small farms" as defined in the instructions for preparation of the Consolidated Reports 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.

Underserved middle-income geography: A middle-income, nonmetropolitan geography will be designated as underserved if it meets criteria for population size, density, and dispersion that indicate the area's population is sufficiently small, thin, and distant from a population center that the tract is likely to have difficulty financing the fixed costs of meeting essential community needs.

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