

PUBLIC DISCLOSURE

July 10, 2023

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Bristol Morgan Bank
RSSD# 807348

103 S. Main Street
Oakfield, Wisconsin 53065

Federal Reserve Bank of Chicago

230 South LaSalle Street
Chicago, Illinois 60604-1413

NOTE: This document is an evaluation of this bank'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 bank. This evaluation is not, nor should it be construed as, an assessment of the financial condition of this bank. The rating assigned to this bank does not represent an analysis, conclusion or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial bank.

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BANK CRA RATING

Bristol Morgan Bank is rated Satisfactory. This rating is based on a more than reasonable loan-to-deposit ratio, an excellent geographic dispersion of loans throughout the assessment area and a reasonable penetration of lending to individuals of different income levels and businesses of different sizes. In contrast, the assessment area concentration indicates that a majority of the bank's Home Mortgage Disclosure Act (HMDA)-reportable and small business loans were made outside of its assessment area.

SCOPE OF EXAMINATION

A full scope evaluation of HMDA-reportable and small business lending in the bank's single assessment area in the Fond du Lac, WI Metropolitan Statistical Area (MSA) #22540 (Fond du Lac MSA) was conducted using the Interagency Small Institution CRA Examination Procedures. The CRA performance was evaluated within the context of information about the institution and its assessment area, including asset size, financial condition, local competition, and economic and demographic characteristics.

The evaluation was based on the following loan products: HMDA-reportable loans originated from January 1, 2021, through December 31, 2022, and a sample of small business loans the bank originated from April 23, 2019, through December 31, 2022. The CRA analysis was based on the performance criteria detailed below.

- ***Loan-to-Deposit Ratio*** – A 16 quarter average loan-to-deposit ratio was calculated for the bank and compared to a sample of local competitors.
- ***Lending in the Assessment Area*** – The bank's HMDA-reportable loans and a sample of small business loans were reviewed to determine the percentage of loans originated in the assessment area.
- ***Geographic Distribution of Lending in the Assessment Area*** – The bank's HMDA-reportable loans and a sample of small business loans were analyzed to determine the extent to which the bank is making loans in geographies of different income levels, particularly those designated as low- and moderate- income.
- ***Lending to Borrowers of Different Income Levels and to Businesses of Different Sizes*** – The bank's HMDA-reportable loans and a sample of small business loans originated in the assessment area were reviewed to determine the distribution among borrowers of different income levels, particularly those considered low- or moderate-income, and to businesses with different revenue sizes.

- **Response to Substantiated Complaints** – Complaints were reviewed to determine if any were related to the bank’s record of helping to meet community credit needs and its responses to any received were evaluated for appropriateness.

Data tables for 2022 are in the body of the evaluation, with 2021 and prior data tables located in Appendix B.

In addition, two community representatives were contacted in connection with this examination to provide information regarding assessment area economic and socio-economic conditions. The following types of organizations were contacted: an organization that supports the needs of low- and moderate-income individuals and an organization that provides economic development and small business support to businesses in the bank’s assessment area.

DESCRIPTION OF INSTITUTION

Bristol Morgan Bank is a community bank with assets of \$171.8 million as of March 31, 2023. The bank’s main office and a cash-only ATM is in an upper income census tract in Oakfield, Wisconsin. There are two additional branch offices, each with cash-only ATMs, located in middle-income census tracts. Since the previous performance evaluation, the bank closed a middle-income branch and cash-only ATM located in Brandon, Wisconsin. The bank also has a loan production office located in Oshkosh, Wisconsin, well outside of the bank’s assessment area. The bank is the sole banking subsidiary of Oakfield Bancorp, Inc., also located in Oakfield, Wisconsin.

The bank is primarily a commercial and residential real estate lender, however agricultural and consumer loans are also offered as shown in the Loan Portfolio Mix table below; a significant amount of the bank’s residential real estate lending is for rental purposes. For 2022, the bank’s HMDA-reportable lending ranked 22nd of 210 reporting banks in the assessment area with 28 originations. By comparison, the first ranked bank, National Exchange Bank and Trust, originated 482 loans. Deposit products consist of standard business and personal deposit account offerings, including checking and savings accounts and certificates of deposit. The bank had a 5.4 percent market share of deposits in its assessment area as of June 30, 2022, based on the Federal Deposit Insurance Corporation’s deposit market share report; in comparison, market leader National Exchange Bank and Trust had a 46.5 percent market share on the same date.

Loan Portfolio Mix As of March 31, 2023		
Loan Type	\$ (000)	% of Portfolio
Agriculture	3,960	2.9
Commercial	64,493	47.1
Consumer	6,327	4.6
Residential Real Estate	61,350	44.8
Other	846	0.6
Gross Loans	136,976	100.0

There are no known legal, financial, or other factors impeding the bank’s ability to help meet the credit needs in its communities.

The bank was rated Satisfactory under the CRA at its previous evaluation conducted on April 22, 2019.

DESCRIPTION OF ASSESSMENT AREA

The bank’s assessment area is comprised of the single county, Fond du Lac MSA, in southeast Wisconsin. The assessment area has 23 census tracts, of which four are moderate-income. There are no low-income tracts as of 2022, based on decennial changes.

The footprint of the assessment area has not changed since the previous evaluation, however, there are an additional three census tracts resulting from population changes in the 2020 U.S. Census. In addition, income levels of the bank’s census tracts changed between 2021 and 2022, due to the use of updated income data. The table below summarizes the net changes to the number and income levels of the census tracts making up the bank’s assessment area.

Census Tract Designation Changes American Community Survey Data			
Tract Income Designation¹	2021 Designations (#)	2022 Designations (#)	Net Change (#)
Low	1	0	-1
Moderate	1	4	+3
Middle	17	15	-2
Upper	1	4	+3
Unknown	0	0	0
Total	20	23	+3

Source: U. S. Census Bureau: Decennial Census: American Community Survey Data: 2011-2015 and 2016-2020

Additional 2022 assessment area demographic information is provided in the following table, with prior year demographic tables in Appendix B of the evaluation.

¹ The median family income levels (MFI) for census tracts are calculated using income data from the U.S. Census Bureau’s American Community Survey and geographic definitions from the Office of Management and Budget (OMB) and are updated approximately every five years. The income data used to calculate geographic income designations changed between 2021 and 2022. Accordingly, lending activity that took place in calendar years up to and including 2021 are evaluated based on income level definitions from the five-year survey data set 2011-2015. Lending activity performed in 2022 and beyond are evaluated based on income level definitions from the five-year survey data set 2016-2020.

2022 Fond du Lac, WI MSA 22540 AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	0	0.0	0	0.0	0	0.0	4,709	17.1
Moderate	4	17.4	4,390	16.0	596	13.6	5,553	20.2
Middle	15	65.2	17,421	63.4	658	3.8	6,940	25.3
Upper	4	17.4	5,672	20.6	255	4.5	10,281	37.4
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	23	100.0	27,483	100.0	1,509	5.5	27,483	100.0
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	0	0	0.0	0.0	0	0.0	0	0.0
Moderate	8,987	3,679	12.4	40.9	4,530	50.4	778	8.7
Middle	28,517	19,838	67.0	69.6	6,508	22.8	2,171	7.6
Upper	7,834	6,071	20.5	77.5	1,264	16.1	499	6.4
Unknown	0	0	0.0	0.0	0	0.0	0	0.0
Total AA	45,338	29,588	100.0	65.3	12,302	27.1	3,448	7.6
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low	0	0.0	0	0.0	0	0.0	0	0.0
Moderate	767	20.7	678	20.6	79	23.2	10	16.4
Middle	2,341	63.3	2,080	63.0	218	63.9	43	70.5
Upper	593	16.0	541	16.4	44	12.9	8	13.1
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	3,701	100.0	3,299	100.0	341	100.0	61	100.0
Percentage of Total Businesses:				89.1		9.2		1.6
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low	0	0.0	0	0.0	0	0.0	0	0.0
Moderate	7	2.5	7	2.7	0	0.0	0	0.0
Middle	218	77.6	204	77.3	13	81.3	1	100.0
Upper	56	19.9	53	20.1	3	18.8	0	0.0
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	281	100.0	264	100.0	16	100.0	1	100.0
Percentage of Total Farms:				94.0		5.7		0.4
Source: 2022 FFIEC Census Data								
2022 Dun & Bradstreet Data								
2016-2020 U.S. Census Bureau: American Community Survey								
Note: Percentages may not total 100.0 percent due to rounding.								

The following presentation of key demographics used to help inform the evaluation of bank activity in its assessment area, is based on a comparison of two sets of U.S. Census American Community Survey data - 2011-2015 and 2016-2020.

The assessment area’s population includes the more urban areas of the City of Fond du Lac and rural areas located east and west of the City of Fond du Lac. The City of Fond du Lac is located in the central part of the county with a population of 44,339 as of 2020. The assessment area population increased 2.2 percent based on figures from the U.S. Census Bureau’s 2011-2015 American Community Survey to the time of the 2020 Decennial Census. While the growth rate approximates the state-wide average of 2.6 percent, the somewhat slower growth rate of the assessment area was attributed by community representatives to competition with areas north of the assessment area with similar employment opportunities, yet more diverse housing, and social characteristics.

Population Change			
Area	2015 Population	2020 Population	Percent Change
Fond du Lac MSA	101,920	104,154	2.2%
Wisconsin	5,742,117	5,893,718	2.6%

Source: 2011-2015 U.S. Census Bureau American Community Survey and 2020 U.S. Census Bureau Decennial Census

The assessment area’s median family income of \$81,968 based on the 2016 – 2020 American Community Survey is slightly higher than the state-wide median family income level, and has grown at a faster rate, at 11.2 percent, than the state-wide growth rate of 8.7 percent from 2015 to 2020. Community representatives attributed the assessment area’s median family income performance to its strong employment base, including a large number of advanced manufacturing companies which pay higher wages.

Median Family Income Change			
Area	2015 Median Family Income	2020 Median Family Income	Percent Change
Fond du Lac MSA	\$73,718	\$81,968	11.2%
Wisconsin	\$74,365	\$80,844	8.7%

Source: 2011 – 2015 and 2016 – 2020 U.S. Census Bureau American Community Survey. Median Family Incomes have been inflation-adjusted and are expressed in 2020 dollars.

Community representatives indicated that there is a housing shortage in the assessment area which affects all income levels, including low- and moderate-income individuals, which has led to higher rents. In addition, the representative indicated that multi-family rental properties need refurbishment yet are frequently owned by individuals living outside of the area that have little stake in the local community. The table below indicates that low- and moderate-income individuals have a less significant housing cost burdened than in the state of Wisconsin as a whole. However, the data also illustrates the need for affordable housing in the assessment area, with 69.6 percent of low-income and 14.3 percent of moderate-income renters paying more than 30 percent of household income for housing; similar housing cost burdens exist for low- and moderate-income homeowners.

Housing Cost Burden ≥ 30 Percent of Household Income						
Area	Cost Burden - Renters			Cost Burden - Owners		
	Low Income	Moderate Income	All Renters	Low Income	Moderate Income	All Owners
Fond du Lac MSA	69.6%	14.3%	34.4%	61.2%	25.0%	15.7%
Wisconsin	74.1%	21.4%	39.6%	64.0%	29.4%	18.1%

Source: U.S. Department of Housing and Urban Development, 2015-2019 Comprehensive Housing Affordability Strategy

Manufacturing jobs, including advanced manufacturing jobs with higher rates of pay, are significant to the assessment area, comprising 28.3 percent of private sector jobs, followed by health care and social assistance jobs and retail trade jobs at 13.5 and 13.0 percent of private sector jobs, respectively. Farm sector employment is also important to the assessment area, with a significant agricultural sector including dairy, grain and commercial vegetable growing and processing operations.

The assessment area’s unemployment rate has returned to a low level of 2.6 percent in 2022, after increasing during the pandemic; unemployment is slightly lower in the assessment area than the state of Wisconsin as a whole. Community representatives indicated that Fond du Lac County’s employment base has outgrown its population base, leading to firms being challenged to hire qualified employees. However, the local technical college has been a good source of job training for the assessment area, with employers using the college’s programs to further develop entry level employees and meet employment needs.

Unemployment Rates						
Area	2017	2018	2019	2020	2021	2022
Fond du Lac MSA	2.8%	2.6%	2.8%	5.9%	3.2%	2.6%
Wisconsin	3.3%	3.0%	3.2%	6.3%	3.8%	2.9%

*Source: Bureau of Labor Statistics (BLS), Local Area Unemployment Statistics
U.S Bureau of Labor Statistics*

Community Representatives

Two community representatives were contacted to provide information about local economic and demographic conditions. The representatives indicated that the primary need for low- and moderate-income individuals is the shortage of quality affordable housing. The assessment area has a robust network of social service agencies to serve its population, although the agencies do struggle to attract Spanish language speakers to facilitate interaction with immigrants to the area who work in the farm sector. Small businesses are also well supported, through an expanding local entrepreneurship program which is addressing the need for business development and financial management skills and at the local technical college through training courses to support business employees’ skills development. There are also financial incentives available to businesses to attract employees to the area.

CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA

Performance standards for small banks consist of the following, as applicable: the bank’s loan-to-deposit ratio, the percentage of loans and other lending-related activities located in the bank’s assessment area, the record of lending to borrowers of different income levels and businesses of different sizes, the geographic distribution of loans, and the record of taking action in response to written complaints. To determine CRA performance, the preceding standards are analyzed and evaluated within the assessment area context, which includes, but is not limited to, comparative analyses of the assessment area and the state demographic data on median family income, nature of housing stock, housing costs, and other relevant data pertaining to the bank’s assessment area.

LENDING TEST

Bristol Morgan Bank’s performance relative to the lending test is rated Satisfactory based on a more than reasonable loan-to-deposit ratio, a reasonable penetration among individuals of different income (including low- and moderate-income) levels and businesses of different sizes and a geographic distribution of loans reflecting excellent dispersion throughout the assessment area. In contrast, a majority of the bank’s HMDA-reportable and small business loans were extended outside of the assessment area. For purposes of the geographic distribution and borrower profile test elements in the following analysis, HMDA-reportable lending is given greater weight due to the significantly larger loan origination volumes compared to small business loans.

Loan-to-Deposit Ratio

The bank’s loan-to-deposit ratio is more than reasonable, averaging 94.7 percent over the sixteen quarters ended March 31, 2023. The ratio is above the bank’s assessment area competitors shown in the table below and demonstrates that the bank is supporting its assessment area through the extension of credit.

Comparative Loan-to-Deposit Ratios	
Institution	94.7%
	16 – Quarter Average
Competitors	
Horicon Bank	85.7%
Fortifi Bank	76.5%
Fox Valley Savings Bank	68.0%
National Exchange Bank and Trust	67.3%

Assessment Area Concentration

A substantial majority of the bank’s loans are made outside of the assessment area, with only 17.7 percent of HMDA-related loans and 37.2 percent of small business loans originated within the assessment area, for a total of 20.6 percent of loans originated in the assessment area. The low percentage of lending within the assessment area is attributable to substantial loan origination

volumes occurring north of the assessment area due to the bank’s loan production office located in Oshkosh, Wisconsin.

Loan Types	Inside				Outside			
	#	%	\$(000s)	%	#	%	\$(000s)	%
Home Improvement	8	26.7	\$1,044	28.1	22	73.3	\$2,669	71.9
Home Purchase - Conventional	35	11.9	\$5,181	12.3	258	88.1	\$36,786	87.7
Multi-Family Housing	12	25.0	\$2,151	13.0	36	75.0	\$14,367	87.0
Refinancing	32	26.4	\$6,833	27.6	89	73.6	\$17,902	72.4
Total HMDA related	87	17.7	\$15,209	17.5	405	82.3	\$71,724	82.5
Small Business	32	37.2	\$8,551	32.1	54	62.8	\$18,084	67.9
Total Small Bus. related	32	37.2	\$8,551	32.1	54	62.8	\$18,084	67.9
TOTAL LOANS	119	20.6	\$23,760	20.9	459	79.4	\$89,808	79.1

Geographic Distribution of Loans

For the purposes of this review, loans made in calendar years up to and including 2021 were analyzed based on income designations from the 2011-2015 American Community Survey data². Loans made in calendar years 2022 and after were analyzed based on income designations from the 2016-2020 American Community Survey data.

The geographic distribution of the bank’s lending in low- and moderate-income census tracts reflects excellent dispersion throughout the assessment area, and a review of lending patterns across the assessment area did not identify unusual gaps in the dispersion of loans.

HMDA-reportable loans in moderate-income census tracts represented 42.9 percent of the bank’s total HMDA-reportable lending in 2022, compared to aggregate lender originations of 14.5 percent of loans; both the bank and aggregate lender originations exceeded the demographic measure of 12.4 percent of owner-occupied homes in moderate-income census tracts. There are no low-income census tracts in the assessment area based on 2016-2020 American Community Survey data utilized in the 2022 lending analysis. The bank’s 2022 HMDA-reportable loans were primarily for the purpose of home purchase and multi-family lending; this lending is responsive to the shortage of housing identified by community representatives in the assessment area, particularly in moderate-income census tracts. Loan originations by product are discussed further below.

The bank originated 41.7 percent of its 2022 home purchase loans in moderate-income census tracts compared to 16.7 percent of originations by aggregate lenders; both the bank and aggregate lender originations exceeded the demographic measure of 12.4 percent of owner-occupied homes in moderate-income census tracts.

² The median family income levels (MFI) for census tracts are calculated using income data from the U.S. Census Bureau’s American Community Survey and geographic designations from the Office of Management and Budget and are updated approximately every five years.

The single 2022 refinance loan originated by the bank in its moderate-income census tracts represented 25.0 percent of the total, compared to 13.5 percent for aggregate lenders; both the bank and aggregate lender origination measures exceeded the demographic measure of 12.4 percent of owner-occupied homes in moderate-income census tracts.

The bank did not originate any home improvement loans in moderate-income census tracts in 2022, compared to 6.3 percent of aggregate lenders; the aggregate lender origination rate was substantially less than the demographic measure of 12.4 percent of owner-occupied homes in moderate-income census tracts.

There were six, or 60.0 percent, of the bank's multi-family loan originations in moderate-income census tracts in 2022, compared to 46.7 percent for aggregate lenders; both the bank and aggregate lender originations exceeded the demographic measure of 40.4 percent of multi-family units located in moderate-income census tracts.

HMDA-reportable lending in 2021 reflected extensions of credit in both low- and moderate-income census tracts, as low-income tracts were present in the assessment area in that period. Overall HMDA-reportable lending performance in 2021 in both low- and moderate-income census tracts exceeded both the aggregate lender performance, and the demographic measures of owner-occupied housing in low- and moderate-income census tracts. Both home purchase and refinance lending exceeded aggregate and demographic measures for low- and moderate-income census tracts.

Distribution of 2022 Home Mortgage Lending By Income Level of Geography							
Assessment Area: Fond du Lac, WI MSA 22540							
Geographic Income Level	Bank And Aggregate Loans						Owner Occupied Units %
	Bank		Agg	Bank		Agg	
	#	#%	#%	\$(000)	%	%	
Home Purchase Loans							
Low	0	0.0	0.0	0	0.0	0.0	0.0
Moderate	5	41.7	16.7	724	50.4	11.1	12.4
Middle	7	58.3	67.8	713	49.6	67.8	67.0
Upper	0	0.0	15.5	0	0.0	21.1	20.5
Unknown	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	
Total	12	100.0	100.0	1,437	100.0	100.0	100.0
Refinance Loans							
Low	0	0.0	0.0	0	0.0	0.0	0.0
Moderate	1	25.0	13.5	78	6.7	9.0	12.4
Middle	3	75.0	68.0	1,086	93.3	68.9	67.0
Upper	0	0.0	18.5	0	0.0	22.1	20.5
Unknown	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	
Total	4	100.0	100.0	1,164	100.0	100.0	100.0
Home Improvement Loans							
Low	0	0.0	0.0	0	0.0	0.0	0.0
Moderate	0	0.0	6.3	0	0.0	3.2	12.4
Middle	2	100.0	70.9	278	100.0	74.0	67.0
Upper	0	0.0	22.8	0	0.0	22.8	20.5
Unknown	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	
Total	2	100.0	100.0	278	100.0	100.0	100.0
Multifamily Loans							Multi-family Units %
Low	0	0.0	0.0	0	0.0	0.0	0.0
Moderate	6	60.0	46.7	710	62.1	49.3	40.4
Middle	4	40.0	53.3	434	37.9	50.7	49.6
Upper	0	0.0	0.0	0	0.0	0.0	10.0
Unknown	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	
Total	10	100.0	100.0	1,144	100.0	100.0	100.0
Total Home Mortgage Loans							Owner Occupied Units %
Low	0	0.0	0.0	0	0.0	0.0	0.0
Moderate	12	42.9	14.5	1,512	37.6	12.4	12.4
Middle	16	57.1	68.2	2,511	62.4	67.1	67.0
Upper	0	0.0	17.2	0	0.0	20.5	20.5
Unknown	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	
Total	28	100.0	100.0	4,023	100.0	100.0	100.0
Source: 2022 FFIEC Census Data							
2016-2020 U.S. Census Bureau: American Community Survey							
Note: Percentages may not total 100.0 percent due to rounding.							

The bank’s lending to small businesses located in moderate- income census tracts is reasonable, based on lending that occurred prior to 2022. In 2022, the bank did not originate any loans in moderate-income census tracts, although 20.7 percent of assessment area businesses are in those tracts.

The bank did originate one loan in a low-income census tract, in 2020 as shown in Appendix B, when there was one low-income census tract in the bank’s assessment area, and 8.7 percent of the assessment area businesses were in the low-income tract. In addition, five Paycheck Protection Program (PPP) loans, which are excluded from the lending charts in Appendix B, were also originated in moderate-income census tracts in the assessment area during the evaluation period; these loans comprised 12.2 percent of the bank’s PPP loan extensions in comparison to the 20.7 percent of businesses located in the bank’s moderate income census tracts.

Distribution of 2022 Small Business Lending By Income Level of Geography					
Assessment Area: Fond du Lac, WI MSA 22540					
Geographic Income Level	Bank Loans				Total Businesses %
	#	#%	\$(000)	\$%	
Low	0	0.0	0	0.0	0.0
Moderate	0	0.0	0	0.0	20.7
Middle	6	66.7	939	45.5	63.3
Upper	3	33.3	1,124	54.5	16.0
Unknown	0	0.0	0	0.0	0.0
Tract-Unk	0	0.0	0	0.0	
Total	9	100.0	2,063	100.0	100.0

Source: 2022 FFIEC Census Data
2022 Dun & Bradstreet Data
2016-2020 U.S. Census Bureau: American Community Survey

Note: Percentages may not total 100.0 percent due to rounding.

Lending to Borrowers of Different Income Levels and to Businesses of Different Sizes

For the purposes of this review, loans made in calendar year 2021 or before were analyzed based on 2011-2015 American Community Survey income designations for individuals³. Loans made in calendar year 2022 or after were analyzed based on 2016-2020 American Community Survey income designations for individuals.

The bank’s lending reflects a reasonable penetration among individuals of different income levels (including low- and moderate-income) and businesses of different sizes. This conclusion is based on the bank’s HMDA-reportable lending to low-income borrowers and loans to small businesses, as the bank had no HMDA-reportable lending to moderate-income borrowers during the evaluation period. A substantial amount of the bank’s 2022 lending was to borrowers with

³ Income levels for individuals are calculated annually by the FFIEC using geographic definitions from the OMB, income data from the American Community Survey and the Consumer Price Index from the Congressional Budget Office.

unknown income, at 72.2 percent, with these loans therefore excluded from analysis for this element of the lending test.

The bank's HMDA-reportable lending reflects a reasonable penetration among individuals of different income (including low-income) levels. The bank originated 16.7 percent of its HMDA-reportable loans to low-income borrowers, and none were made to moderate-income borrowers. The bank's level of lending to low-income borrowers approximated the aggregate lenders' rate of 17.3 percent and demographic measure of low-income families at 17.1 percent. Product specific information is provided below.

The bank's single 2022 home purchase origination to a low-income borrower represented 8.3 percent of its home purchase originations. This was below both the aggregate lender rate and the demographic measure of low-income families in the assessment area which equaled 17.9 percent and 17.1 percent, respectively. No loans were originated by the bank to individuals with moderate-income, compared to aggregate lenders with 28.1 percent of originations to moderate-income borrowers.

The bank originated 50.0 percent of its 2022 refinance loans to low-income borrowers, exceeding the aggregate lender rate of 18.2 percent, and the demographic of low-income families in the assessment area of 17.1 percent. No loans were originated by the bank to individuals with moderate-income, compared to aggregate lender originations of 28.1 percent to moderate-income individuals.

The bank originated no home improvement loans to either low- or moderate-income individuals in 2022. In contrast, aggregate lenders originated 14.9 percent and 20.2 percent of their loans to low- and moderate-income borrowers, respectively.

Lending performance in 2021 was similar to 2022 performance, although in addition to lending to low-income individuals, the bank also made a single loan to a moderate-income individual in comparison to no lending to moderate-income individuals in 2022.

Distribution of 2022 Home Mortgage Lending By Borrower Income Level							
Assessment Area: Fond du Lac, WI MSA 22540							
Borrower Income Level	Bank And Aggregate Loans						Families by Family Income %
	Bank		Agg	Bank		Agg	
	#	#%	#%	\$(000)	%	%	
Home Purchase Loans							
Low	1	8.3	17.9	58	4.0	11.2	17.1
Moderate	0	0.0	28.1	0	0.0	23.3	20.2
Middle	0	0.0	21.3	0	0.0	23.5	25.3
Upper	2	16.7	19.8	255	17.7	30.3	37.4
Unknown	9	75.0	12.9	1,124	78.2	11.7	0.0
Total	12	100.0	100.0	1,437	100.0	100.0	100.0
Refinance Loans							
Low	2	50.0	18.2	201	17.3	11.2	17.1
Moderate	0	0.0	28.1	0	0.0	23.2	20.2
Middle	0	0.0	27.3	0	0.0	28.1	25.3
Upper	0	0.0	19.4	0	0.0	28.7	37.4
Unknown	2	50.0	7.0	963	82.7	8.8	0.0
Total	4	100.0	100.0	1,164	100.0	100.0	100.0
Home Improvement Loans							
Low	0	0.0	14.9	0	0.0	10.9	17.1
Moderate	0	0.0	20.2	0	0.0	13.8	20.2
Middle	0	0.0	29.8	0	0.0	29.0	25.3
Upper	0	0.0	31.5	0	0.0	40.2	37.4
Unknown	2	100.0	3.6	278	100.0	6.1	0.0
Total	2	100.0	100.0	278	100.0	100.0	100.0
Total Home Mortgage Loans							
Low	3	16.7	17.3	259	9.0	11.1	17.1
Moderate	0	0.0	27.0	0	0.0	22.7	20.2
Middle	0	0.0	24.1	0	0.0	24.8	25.3
Upper	2	11.1	21.8	255	8.9	30.9	37.4
Unknown	13	72.2	9.7	2,365	82.1	10.5	0.0
Total	18	100.0	100.0	2,879	100.0	100.0	100.0
Source: 2022 FFIEC Census Data							
2016-2020 U.S. Census Bureau: American Community Survey							
Note: Percentages may not total 100.0 percent due to rounding.							
Multifamily loans are not included in the borrower distribution analysis.							

The bank's lending to small businesses reflects an excellent penetration among businesses of different sizes. In 2022, all of the bank's small business lending was to borrowers with revenues of \$1 million or less, exceeding the demographic of 89.1 percent of assessment area businesses with revenues at that level. In addition, 11.1 percent of the loans were made in dollar amounts of \$100,000 or less; loans in smaller dollar amounts are considered to be most valuable to small businesses. Performance was similar in the years 2019-2021. The bank also originated 59 PPP loans in the assessment area during the evaluation period with 81.4 percent of them in amounts of \$100,000 or less, including 28.8 percent in amounts of \$10 thousand or less; loans in smaller dollar amounts are considered to be most valuable to small businesses.

Distribution of 2022 Small Business Lending By Revenue Size of Businesses					
Assessment Area: Fond du Lac, WI MSA 22540					
	Bank Loans				Total Businesses %
	#	#%	\$(000)	\$%	
By Revenue					
\$1 Million or Less	9	100.0	2,064	100.0	89.1
Over \$1 Million	0	0.0	0	0.0	9.2
Revenue Unknown	0	0.0	0	0.0	1.6
Total	9	100.0	2,063	100.0	100.0
By Loan Size					
\$100,000 or Less	1	11.1	79	3.8	
\$100,001 - \$250,000	7	77.8	1,185	57.4	
\$250,001 - \$1 Million	1	11.1	800	38.8	
Total	9	100.0	2,063	100.0	
By Loan Size and Revenues \$1 Million or Less					
\$100,000 or Less	1	11.1	79	3.8	
\$100,001 - \$250,000	7	77.8	1,185	57.4	
\$250,001 - \$1 Million	1	11.1	800	38.8	
Total	9	100.0	2,064	100.0	
<i>Source: 2022 FFIEC Census Data 2022 Dun & Bradstreet Data 2016-2020 U.S. Census Bureau: American Community Survey</i>					
<i>Note: Percentages may not total 100.0 percent due to rounding.</i>					

Response to Complaints

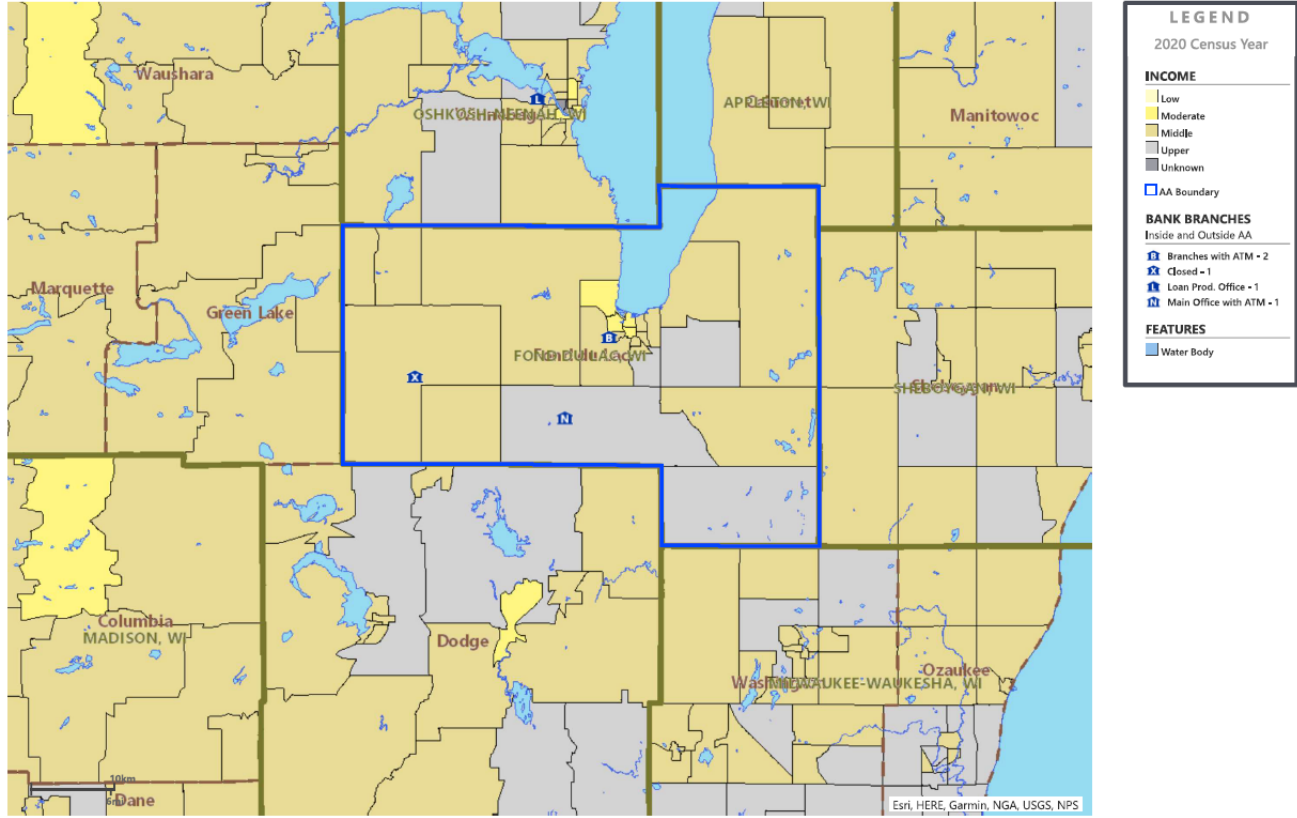
Neither the bank nor this Reserve Bank have received any CRA-related complaints since the previous evaluation.

FAIR LENDING OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

No evidence of discriminatory or other illegal credit practices inconsistent with helping to meet community credit needs was identified.

APPENDIX A – Map of Assessment Area

Bristol Morgan Bank 807348
Fond du Lac, WI MSA 22540



APPENDIX B – 2021 and Prior Demographic and Lending Tables

Combined Demographic Tables

2021 Fond du Lac, WI MSA 22540 AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	1	5.0	668	2.5	168	25.1	4,633	17.0
Moderate	1	5.0	1,164	4.3	240	20.6	5,006	18.4
Middle	17	85.0	22,907	84.1	1,300	5.7	6,854	25.2
Upper	1	5.0	2,493	9.2	55	2.2	10,739	39.4
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	20	100.0	27,232	100.0	1,763	6.5	27,232	100.0
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	1,947	346	1.2	17.8	1,359	69.8	242	12.4
Moderate	3,041	746	2.5	24.5	2,005	65.9	290	9.5
Middle	35,924	25,582	87.1	71.2	7,892	22.0	2,450	6.8
Upper	3,414	2,698	9.2	79.0	441	12.9	275	8.1
Unknown	0	0	0.0	0.0	0	0.0	0	0.0
Total AA	44,326	29,372	100.0	66.3	11,697	26.4	3,257	7.3
	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low	328	9.0	287	8.8	35	10.2	6	10.2
Moderate	168	4.6	152	4.7	16	4.7	0	0.0
Middle	2,884	79.1	2,558	78.9	276	80.7	50	84.7
Upper	265	7.3	247	7.6	15	4.4	3	5.1
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	3,645	100.0	3,244	100.0	342	100.0	59	100.0
Percentage of Total Businesses:					89.0		9.4	
	Total Farms by Tract		Farms by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low	0	0.0	0	0.0	0	0.0	0	0.0
Moderate	3	1.1	3	1.1	0	0.0	0	0.0
Middle	247	87.6	233	87.9	13	81.3	1	100.0
Upper	32	11.3	29	10.9	3	18.8	0	0.0
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	282	100.0	265	100.0	16	100.0	1	100.0
Percentage of Total Farms:					94.0		5.7	
Source: 2021 FFIEC Census Data 2021 Dun & Bradstreet Data 2011-2015 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.								

2020 Fond du Lac, WI MSA 22540 AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	1	5.0	668	2.5	168	25.1	4,633	17.0
Moderate	1	5.0	1,164	4.3	240	20.6	5,006	18.4
Middle	17	85.0	22,907	84.1	1,300	5.7	6,854	25.2
Upper	1	5.0	2,493	9.2	55	2.2	10,739	39.4
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	20	100.0	27,232	100.0	1,763	6.5	27,232	100.0
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	1,947	346	1.2	17.8	1,359	69.8	242	12.4
Moderate	3,041	746	2.5	24.5	2,005	65.9	290	9.5
Middle	35,924	25,582	87.1	71.2	7,892	22.0	2,450	6.8
Upper	3,414	2,698	9.2	79.0	441	12.9	275	8.1
Unknown	0	0	0.0	0.0	0	0.0	0	0.0
Total AA	44,326	29,372	100.0	66.3	11,697	26.4	3,257	7.3
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low	319	8.7	276	8.4	35	10.3	8	13.8
Moderate	164	4.5	148	4.5	16	4.7	0	0.0
Middle	2,908	79.3	2,585	79.1	276	80.9	47	81.0
Upper	278	7.6	261	8.0	14	4.1	3	5.2
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	3,669	100.0	3,270	100.0	341	100.0	58	100.0
Percentage of Total Businesses:				89.1		9.3		1.6
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low	0	0.0	0	0.0	0	0.0	0	0.0
Moderate	3	1.0	3	1.1	0	0.0	0	0.0
Middle	256	87.4	244	87.8	11	78.6	1	100.0
Upper	34	11.6	31	11.2	3	21.4	0	0.0
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	293	100.0	278	100.0	14	100.0	1	100.0
Percentage of Total Farms:				94.9		4.8		0.3
Source: 2020 FFIEC Census Data								
2020 Dun & Bradstreet Data								
2011-2015 U.S. Census Bureau: American Community Survey								
Note: Percentages may not total 100.0 percent due to rounding.								

2019 Fond du Lac, WI MSA 22540 AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	1	5.0	668	2.5	168	25.1	4,633	17.0
Moderate	1	5.0	1,164	4.3	240	20.6	5,006	18.4
Middle	17	85.0	22,907	84.1	1,300	5.7	6,854	25.2
Upper	1	5.0	2,493	9.2	55	2.2	10,739	39.4
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	20	100.0	27,232	100.0	1,763	6.5	27,232	100.0
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied		Rental		Vacant		
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	1,947	346	1.2	17.8	1,359	69.8	242	12.4
Moderate	3,041	746	2.5	24.5	2,005	65.9	290	9.5
Middle	35,924	25,582	87.1	71.2	7,892	22.0	2,450	6.8
Upper	3,414	2,698	9.2	79.0	441	12.9	275	8.1
Unknown	0	0	0.0	0.0	0	0.0	0	0.0
Total AA	44,326	29,372	100.0	66.3	11,697	26.4	3,257	7.3
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low	332	9.0	286	8.7	39	10.8	7	12.1
Moderate	164	4.4	146	4.5	18	5.0	0	0.0
Middle	2,922	79.1	2,586	78.9	288	80.0	48	82.8
Upper	278	7.5	260	7.9	15	4.2	3	5.2
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	3,696	100.0	3,278	100.0	360	100.0	58	100.0
Percentage of Total Businesses:				88.7		9.7		1.6
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low	0	0.0	0	0.0	0	0.0	0	0.0
Moderate	2	0.7	2	0.7	0	0.0	0	0.0
Middle	257	88.6	245	88.8	11	84.6	1	100.0
Upper	31	10.7	29	10.5	2	15.4	0	0.0
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	290	100.0	276	100.0	13	100.0	1	100.0
Percentage of Total Farms:				95.2		4.5		0.3
Source: 2019 FFIEC Census Data								
2019 Dun & Bradstreet Data								
2011-2015 U.S. Census Bureau: American Community Survey								
Note: Percentages may not total 100.0 percent due to rounding.								

Geographic Distribution Lending Tables

Distribution of 2021 Home Mortgage Lending By Income Level of Geography							
Assessment Area: Fond du Lac, WI MSA 22540							
Geographic Income Level	Bank And Aggregate Loans						Owner Occupied Units %
	Bank		Agg	Bank		Agg	
	#	#%	#%	\$(000)	%	\$%	
Home Purchase Loans							
Low	3	13.0	2.1	352	9.4	1.5	1.2
Moderate	2	8.7	3.2	152	4.1	2.1	2.5
Middle	15	65.2	86.8	2,066	55.2	83.2	87.1
Upper	3	13.0	7.9	1,174	31.4	13.2	9.2
Unknown	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	
Total	23	100.0	100.0	3,744	100.0	100.0	100.0
Refinance Loans							
Low	3	10.7	1.0	370	6.5	0.6	1.2
Moderate	1	3.6	1.6	71	1.3	0.9	2.5
Middle	24	85.7	84.7	5,228	92.2	81.3	87.1
Upper	0	0.0	12.7	0	0.0	17.2	9.2
Unknown	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	
Total	28	100.0	100.0	5,669	100.0	100.0	100.0
Home Improvement Loans							
Low	0	0.0	1.4	0	0.0	0.6	1.2
Moderate	0	0.0	0.0	0	0.0	0.0	2.5
Middle	6	100.0	86.2	766	100.0	80.2	87.1
Upper	0	0.0	12.4	0	0.0	19.2	9.2
Unknown	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	
Total	6	100.0	100.0	766	100.0	100.0	100.0
Multifamily Loans							Multi-family Units %
Low	1	50.0	18.4	307	30.5	7.2	13.3
Moderate	0	0.0	2.6	0	0.0	4.9	29.2
Middle	1	50.0	76.3	700	69.5	80.6	51.9
Upper	0	0.0	2.6	0	0.0	7.3	5.7
Unknown	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	
Total	2	100.0	100.0	1,007	100.0	100.0	100.0
Total Home Mortgage Loans							Owner Occupied Units %
Low	7	11.9	1.6	1,029	9.2	1.2	1.2
Moderate	3	5.1	2.1	223	2.0	1.5	2.5
Middle	46	78.0	85.4	8,760	78.3	81.9	87.1
Upper	3	5.1	11.0	1,174	10.5	15.3	9.2
Unknown	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	
Total	59	100.0	100.0	11,186	100.0	100.0	100.0
Source: 2021 FFIEC Census Data							
2011-2015 U.S. Census Bureau: American Community Survey							
Note: Percentages may not total 100.0 percent due to rounding.							

Distribution of 2021 Small Business Lending By Income Level of Geography					
Assessment Area: Fond du Lac, WI MSA 22540					
Geographic Income Level	Bank Loans				Total Businesses %
	#	#%	\$(000)	%	
Low	0	0.0	0	0.0	9.0
Moderate	0	0.0	0	0.0	4.6
Middle	11	91.7	3,397	91.6	79.1
Upper	1	8.3	310	8.4	7.3
Unknown	0	0.0	0	0.0	0.0
Tract-Unk	0	0.0	0	0.0	
Total	12	100.0	3,707	100.0	100.0

Source: 2021 FFIEC Census Data
2021 Dun & Bradstreet Data
2011-2015 U.S. Census Bureau: American Community Survey

Note: Percentages may not total 100.0 percent due to rounding.

Distribution of 2020 Small Business Lending By Income Level of Geography					
Assessment Area: Fond du Lac, WI MSA 22540					
Geographic Income Level	Bank Loans				Total Businesses %
	#	#%	\$(000)	%	
Low	1	12.5	189	9.5	8.7
Moderate	0	0.0	0	0.0	4.5
Middle	7	87.5	1,791	90.4	79.3
Upper	0	0.0	0	0.0	7.6
Unknown	0	0.0	0	0.0	0.0
Tract-Unk	0	0.0	0	0.0	
Total	8	100.0	1,981	100.0	100.0

Source: 2020 FFIEC Census Data
2020 Dun & Bradstreet Data
2011-2015 U.S. Census Bureau: American Community Survey

Note: Percentages may not total 100.0 percent due to rounding.

Distribution of 2019 Small Business Lending By Income Level of Geography					
Assessment Area: Fond du Lac, WI MSA 22540					
Geographic Income Level	Bank Loans				Total Businesses %
	#	#%	\$(000)	%	
Low	0	0.0	0	0.0	9.0
Moderate	0	0.0	0	0.0	4.4
Middle	3	100.0	800	100.0	79.1
Upper	0	0.0	0	0.0	7.5
Unknown	0	0.0	0	0.0	0.0
Tract-Unk	0	0.0	0	0.0	
Total	3	100.0	800	100.0	100.0

Source: 2019 FFIEC Census Data
2019 Dun & Bradstreet Data
2011-2015 U.S. Census Bureau: American Community Survey

Note: Percentages may not total 100.0 percent due to rounding.

Borrower Profile Lending Tables

Distribution of 2021 Home Mortgage Lending By Borrower Income Level							
Assessment Area: Fond du Lac, WI MSA 22540							
Borrower Income Level	Bank And Aggregate Loans						Families by Family Income %
	Bank		Agg	Bank		Agg	
	#	#%	#%	\$(000)	%	\$%	
Home Purchase Loans							
Low	2	8.7	8.6	209	5.6	4.8	17.0
Moderate	1	4.3	26.5	51	1.4	19.6	18.4
Middle	1	4.3	23.7	226	6.0	22.3	25.2
Upper	5	21.7	29.7	1,735	46.3	42.3	39.4
Unknown	14	60.9	11.5	1,523	40.7	10.9	0.0
Total	23	100.0	100.0	3,744	100.0	100.0	100.0
Refinance Loans							
Low	0	0.0	5.4	0	0.0	2.9	17.0
Moderate	0	0.0	19.4	0	0.0	13.8	18.4
Middle	4	14.3	25.5	523	9.2	23.2	25.2
Upper	12	42.9	39.4	2,140	37.7	48.8	39.4
Unknown	12	42.9	10.3	3,006	53.0	11.4	0.0
Total	28	100.0	100.0	5,669	100.0	100.0	100.0
Home Improvement Loans							
Low	0	0.0	5.0	0	0.0	2.6	17.0
Moderate	0	0.0	13.8	0	0.0	10.6	18.4
Middle	0	0.0	26.1	0	0.0	20.5	25.2
Upper	0	0.0	48.2	0	0.0	56.9	39.4
Unknown	6	100.0	6.9	766	100.0	9.4	0.0
Total	6	100.0	100.0	766	100.0	100.0	100.0
Total Home Mortgage Loans							
Low	2	3.5	6.6	209	2.1	3.7	17.0
Moderate	1	1.8	21.5	51	0.5	15.9	18.4
Middle	5	8.8	24.6	749	7.4	22.6	25.2
Upper	17	29.8	36.6	3,875	38.1	46.5	39.4
Unknown	32	56.1	10.8	5,295	52.0	11.3	0.0
Total	57	100.0	100.0	10,179	100.0	100.0	100.0
Source: 2021 FFIEC Census Data							
2011-2015 U.S. Census Bureau: American Community Survey							
Note: Percentages may not total 100.0 percent due to rounding.							
Multifamily loans are not included in the borrower distribution analysis.							

Distribution of 2021 Small Business Lending By Revenue Size of Businesses					
Assessment Area: Fond du Lac, WI MSA 22540					
	Bank Loans				Total Businesses %
	#	#%	\$(000)	%	
By Revenue					
\$1 Million or Less	12	100.0	3,707	100.0	89.0
Over \$1 Million	0	0.0	0	0.0	9.4
Revenue Unknown	0	0.0	0	0.0	1.6
Total	12	100.0	3,707	100.0	100.0
By Loan Size					
\$100,000 or Less	4	33.3	348	9.4	
\$100,001 - \$250,000	2	16.7	307	8.3	
\$250,001 - \$1 Million	6	50.0	3,052	82.3	
Total	12	100.0	3,707	100.0	
By Loan Size and Revenues \$1 Million or Less					
\$100,000 or Less	4	33.3	348	9.4	
\$100,001 - \$250,000	2	16.7	307	8.3	
\$250,001 - \$1 Million	6	50.0	3,052	82.3	
Total	12	100.0	3,707	100.0	
Source: 2021 FFIEC Census Data					
2021 Dun & Bradstreet Data					
2011-2015 U.S. Census Bureau: American Community Survey					
Note: Percentages may not total 100.0 percent due to rounding.					

Distribution of 2020 Small Business Lending By Revenue Size of Businesses					
Assessment Area: Fond du Lac, WI MSA 22540					
	Bank Loans				Total Businesses %
	#	#%	\$(000)	%	
By Revenue					
\$1 Million or Less	8	100.0	1,981	100.0	89.1
Over \$1 Million	0	0.0	0	0.0	9.3
Revenue Unknown	0	0.0	0	0.0	1.6
Total	8	100.0	1,981	100.0	100.0
By Loan Size					
\$100,000 or Less	2	25.0	199	10.0	
\$100,001 - \$250,000	4	50.0	702	35.4	
\$250,001 - \$1 Million	2	25.0	1,080	54.5	
Total	8	100.0	1,981	100.0	
By Loan Size and Revenues \$1 Million or Less					
\$100,000 or Less	2	25.0	199	10.0	
\$100,001 - \$250,000	4	50.0	702	35.4	
\$250,001 - \$1 Million	2	25.0	1,080	54.5	
Total	8	100.0	1,981	100.0	
Source: 2020 FFIEC Census Data					
2020 Dun & Bradstreet Data					
2011-2015 U.S. Census Bureau: American Community Survey					
Note: Percentages may not total 100.0 percent due to rounding.					

Distribution of 2019 Small Business Lending By Revenue Size of Businesses					
Assessment Area: Fond du Lac, WI MSA 22540					
	Bank Loans				Total Businesses %
	#	#%	\$(000)	%	
By Revenue					
\$1 Million or Less	3	100.0	800	100.0	88.7
Over \$1 Million	0	0.0	0	0.0	9.7
Revenue Unknown	0	0.0	0	0.0	1.6
Total	3	100.0	800	100.0	100.0
By Loan Size					
\$100,000 or Less	0	0.0	0	0.0	
\$100,001 - \$250,000	2	66.7	400	50.0	
\$250,001 - \$1 Million	1	33.3	400	50.0	
Total	3	100.0	800	100.0	
By Loan Size and Revenues \$1 Million or Less					
\$100,000 or Less	0	0.0	0	0.0	
\$100,001 - \$250,000	2	66.7	400	50.0	
\$250,001 - \$1 Million	1	33.3	400	50.0	
Total	3	100.0	800	100.0	
<i>Source: 2019 FFIEC Census Data 2019 Dun & Bradstreet Data 2011-2015 U.S. Census Bureau: American Community Survey</i>					
<i>Note: Percentages may not total 100.0 percent due to rounding.</i>					

APPENDIX C – Scope of Examination

SCOPE OF EXAMINATION			
TIME PERIOD REVIEWED		HMDA-reportable loans originated from January 1, 2021, through December 31, 2022 Small business loan sample originated from April 23, 2019, through December 31, 2022	
FINANCIAL INSTITUTION		PRODUCTS REVIEWED	
Bristol Morgan Bank		HMDA-reportable loans Small business loans	
AFFILIATE(S)	AFFILIATE RELATIONSHIP	PRODUCTS REVIEWED	
None	NA	NA	
LIST OF ASSESSMENT AREAS AND TYPE OF EXAMINATION			
ASSESSMENT AREA	TYPE OF EXAMINATION	BRANCHES VISITED	OTHER INFORMATION
Fond du Lac WI MSA #22540	Full scope	None	None.

APPENDIX D – Glossary

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

Aggregate lending: The number of loans originated and purchased by all lenders subject to reporting requirements as a percentage of the aggregate number of loans originated and purchased by all lenders in the MSA/assessment area.

American Community Survey Data (ACS): The American Community Survey (ACS) data is based on a nationwide survey designed to provide local communities with reliable and timely demographic, social, economic, and housing data each year. The Census Bureau first released data for geographies of all sizes in 2010. This data is known as the “five-year estimate data.” The five-year estimate data is used by the FFIEC as the base file for data used in conjunction with consumer compliance and CRA examinations.⁴

Area Median Income (AMI): AMI means –

1. The median family income for the MSA, if a person or geography is located in an MSA, or for the metropolitan division, if a person or geography is located in an MSA that has been subdivided into metropolitan divisions; or
2. The statewide nonmetropolitan median family income if a person or geography is located outside an MSA.

Assessment area: Assessment area means a geographic area delineated in accordance with section 228.41

Automated teller machine (ATM): An automated teller machine means an automated, unstaffed banking facility owned or operated by, or operated exclusively for, the bank at which deposits are received, cash dispersed or money lent.

Bank: Bank means a state member as that term is defined in section 3(d)(2) of the Federal Deposit Insurance Act (12 USC 1813(d)(2)), except as provided in section 228.11(c)(3), and includes an uninsured state branch (other than a limited branch) of a foreign bank described in section 228.11(c)(2).

Branch: Branch refers to a staffed banking facility approved as a branch, whether shared or unshared, including, for example, a mini-branch in a grocery store or a branch operated in conjunction with any other local business or nonprofit organization.

⁴ Source: FFIEC press release dated October 19, 2011.

Census tract: Small subdivisions 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. They 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.

Combined Statistical Area (CSAs): Adjacent metropolitan statistical areas/metropolitan divisions (MSA/MDs) and micropolitan statistical areas may be combined into larger Combined Statistical Areas based on social and economic ties as well as commuting patterns. The ties used as the basis for CSAs are not as strong as the ties used to support MSA/MD and micropolitan statistical area designations; however, they do bind the larger area together and may be particularly useful for regional planning authorities and the private sector. Under Regulation BB, assessment areas may be presented under a Combined Statistical Area heading; however, all analysis is conducted on the basis of median income figures for MSA/MDs and the applicable state-wide non metropolitan median income figure.

Community Development: The financial supervisory agencies have adopted the following definition for community development:

1. Affordable housing, including for multi-family housing, for low- and moderate-income households;
2. Community services tailored to meet the needs of low- and 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; or
4. 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 definitions of community development. Activities that revitalize or stabilize:

- 1) Low- or moderate-income geographies;
- 2) Designated disaster areas; or
- 3) 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, or 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 services including the needs of low- and moderate-income individuals.

Community Development Loan: A community development loan means a loan that:

- 1) Has as its primary purpose community development; and
- 2) Except in the case of a wholesale or limited purpose bank –
 - a. Has not been reported or collected by the bank or an affiliate for consideration in the bank's assessment as a home mortgage, small business, small farm, or consumer loan, unless it is a multi-family housing loan (as described in the regulation implementing the Home Mortgage Disclosure Act); and
 - b. Benefits the bank's assessment area(s) or a broader statewide or regional area that includes the bank's assessment area(s).

Community Development Service: A community development service means a service that:

- 1) Has as its primary purpose community development; and
- 2) Is related to the provision of financial services.

Consumer loan: 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 of loans: motor vehicle, credit card, other consumer secured loan, includes loans for home improvement purposes not secured by a dwelling, and other consumer unsecured loan, includes loans for home improvement purposes not secured.

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).

Fair market rent: Fair market rents (FMRs) are gross rent estimates. They include the shelter rent plus the cost of all tenant-paid utilities, except telephones, cable or satellite television service, and internet service. HUD sets FMRs to assure that a sufficient supply of rental housing is available to their program participants. To accomplish this objective, FMRs must be both high enough to permit a selection of units and neighborhoods and low enough to serve as many low-income families as possible. The level at which FMRs are set is expressed as a percentile point within the rent distribution of standard-quality rental housing units. The current definition used is the 40th percentile rent, the dollar amount below which 40 percent of the standard-quality rental housing units are rented. The 40th percentile rent is drawn from the distribution of rents of all units occupied by recent movers (renter households who moved to their present residence within the past 15 months). HUD is required to ensure that FMRs exclude non-market rental housing in their computation. Therefore, HUD excludes all units falling below a specified rent level determined from public housing rents in HUD's program databases as likely to be either assisted housing or otherwise at a below-market rent, and units less than two years old.

Full review: Performance under the Lending, Investment and Service Tests is analyzed considering performance context, quantitative factors (for example, geographic distribution, borrower distribution, and amount of qualified investments) and qualitative factors (for example, innovativeness, complexity, and responsiveness).

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

Home Mortgage Disclosure Act: The statute that requires certain mortgage lenders that do business or have banking offices in metropolitan statistical areas to file annual summary reports of their mortgage lending activity. The reports include data such as the race, gender and income of the applicant(s) and the disposition of the application(s) (for example, approved, denied, and withdrawn).

Home mortgage loans: Are defined in conformance with the definitions of home mortgage activity under the Home Mortgage Disclosure Act and include closed end mortgage loans secured by a dwelling and open-end lines of credit secured by a dwelling. This includes loans for home purchase, refinancing and loans for multi-family housing. It does not include loans for home improvement purposes that are not secured by a dwelling.

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.

Income Level: Income level means:

- 1) Low-income – an 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 census tract;
- 2) Moderate-income – an 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 census tract;
- 3) Middle-income – an 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 census tract; and
- 4) Upper-income – an individual income that is at least 120 percent of the area median income, or a median family income that is at least 120 percent in the case of a census tract.

Additional Guidance: .12(m) Income Level: The median family income levels (MFI) for census tracts are calculated using the income data from the United States Census Bureau's American Community Survey and geographic definitions from the Office of Management and Budget (OMB) and are updated approximately every five years (.12(m) Income Level).

Limited-purpose bank: This term refers to a bank that offers only a narrow product line such as credit card or motor vehicle loans to a regional or broader market and for which a designation as a limited-purpose bank is in effect, in accordance with section 228.25(b).

Limited review: Performance under the Lending, Investment and Services test is analyzed using only quantitative factors (for example, geographic distribution, borrower distribution, amount of investments and branch office distribution).

Loan location: Under this definition, a loan is located as follows:

- 1) Consumer loan is located in the census tract where the borrower resides;
- 2) Home mortgage loan is located in the census tract where the property to which the loan relates is located;
- 3) Small business and small farm loan is located in the census tract where the main business facility or farm is located or where the loan proceeds have been applied as indicated by the borrower.

Loan production office: This term refers to a staffed facility, other than a branch, that is open to the public and that provides lending-related services, such as loan information and applications.

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

Median Family Income (MFI): The median income determined by the U.S. Census Bureau every ten years and used to determine the income level category of geographies. Also, the median income determined by the Department of Housing and Urban Development (HUD) annually that is used to determine the income level category of individuals. For any given area, the median is the point at which half of the families have income above it and half below it.

Metropolitan Area: 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 single core population of at least 2.5 million may be divided into MDs. A metropolitan statistical area that crosses into two or more bordering states is called a multistate metropolitan statistical area.

Multifamily: Refers to a residential structure that contains five or more units.

Nonmetropolitan area: This term refers to any area that is not located in a metropolitan statistical area or metropolitan division. Micropolitan statistical areas are included in the definition of a nonmetropolitan area; a micropolitan statistical area has an urban core population of at least 10,000 but less than 50,000.

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: This term refers to any lawful investment, deposit, membership share, or grant that has as its primary purpose community development.

Rated area: This term refers to a state or multistate metropolitan area. For institutions with domestic branch offices in one state only, the institution's CRA rating is the state's rating. If the institution maintains domestic branch offices in more than one state, the institution will receive a rating for each state in which those branch offices are located. If the institution maintains domestic branch offices in at least two states in a multistate metropolitan statistical area, the institution will receive a rating for the multistate metropolitan area.

Small Bank: This term refers to a bank that as of December 31 of either of the prior two calendar years, had assets of less than \$1.252 billion. Intermediate small bank means a small bank with assets of at least \$313 million as of December 31 of both of the prior two calendar years and less than \$1.252 billion as of December 31 of either of the prior two calendar years.

Annual Adjustment: The dollar figures in paragraph (u)(1) of this section shall be adjusted annually and published by the Board, based on the year-to-year change in the average of the Consumer Price Index for Urban Wage Earners and Clerical Workers, not seasonally adjusted, for each 12-month period ending in November, with rounding to the nearest million.

Small Business Loan: This term refers to a loan that is included in "loans to small businesses" as defined in the instructions for preparation of the Consolidated Report of Condition and Income. The loans have original amounts of \$1 million or less and are either secured nonfarm, nonresidential properties or are classified as commercial and industrial loans.

Small Farm: This term refers to a loan that is included in "loans to small farms" as defined in the instructions for preparation of the Consolidated Report of Condition and Income. These loans have original amounts of \$500 thousand or less and are either secured by farmland, including farm residential and other improvements, or are classified as loans to finance agricultural production and other loans to farmers.

Wholesale Bank: This term refers to a bank that is not in the business of extending home mortgage, small business, small farm, or consumer loans to retail customers, and for which a designation as a wholesale bank is in effect, in accordance with section 228.25(b).