



## **PUBLIC DISCLOSURE**

April 26, 2021

## **COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION**

FCN Bank, National Association  
Charter Number 5629

501 Main Street  
Brookville, IN 47012

Office of the Comptroller of the Currency

Central Ohio Field Office  
655 Metro Place South, Suite 625  
Dublin, OH 43017

**NOTE:** This document is an evaluation of this institution's record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods, consistent with safe and sound operation of the institution. This evaluation is not, and should not be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion, or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.

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## Overall CRA Rating

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

**The Lending Test is rated: Outstanding.**

**The Community Development Test is rated: Outstanding.**

The major factors that support this rating include:

- The Lending Test rating is based on the state and multistate metropolitan statistical area (MMSA) ratings and the following overall conclusions.
  - The bank's quarterly average loan-to-deposit (LTD) ratio is reasonable.
  - A substantial majority of the bank's loans are inside the assessment areas (AAs).
  - The bank exhibits excellent geographic distribution of loans in the Cincinnati MMSA AA.
  - The bank exhibits an excellent distribution of loans to borrowers of different income levels and businesses of different sizes in the Cincinnati MMSA AA.
- The Community Development (CD) Test rating is based on the state and MMSA ratings, which are outstanding. Overall, the bank's level of CD lending, qualified investments, and CD services represents excellent responsiveness to CD needs, considering the bank's capacity and the need and availability of such opportunities for CD in the AAs.

### Loan-to-Deposit Ratio

Considering the bank's size, financial condition, and credit needs of the AAs, the bank's loan-to-deposit ratio is reasonable.

FCN Bank, National Association's (FCN or the bank) quarterly average LTD ratio over the 12 quarters since the previous CRA evaluation (March 31, 2018 to December 31, 2020) is 66.7 percent. The ratio ranged from a low of 63.3 percent at June 30, 2018, to a high of 72.1 percent at June 30, 2020. The bank's quarterly average LTD ratio of 66.7 percent is lower than other financial institutions of similar size and location but is overall reasonable. The other 13 financial institutions of similar size and location have total assets of less than \$1 billion and bank offices in the AAs, with an average LTD ratio of 94.7 percent. Eight of the 13 financial institutions have LTD ratios over 90 percent. During the evaluation period, there was strong competition from other financial institutions. Additionally, the bank sold almost \$150 million in home mortgage loans to the secondary market in 2018 – 2020.

### Lending in Assessment Area

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

The bank originated and purchased 87.7 percent of its total loans inside the bank's AAs during the evaluation period. This analysis is performed at the bank, rather than the AA, level.

<b>Lending Inside and Outside of the Assessment Area</b>										
<b>Loan Category</b>	<b>Number of Loans</b>				<b>Total</b>	<b>Dollar Amount of Loans \$(000s)</b>				<b>Total \$(000s)</b>
	<b>Inside</b>		<b>Outside</b>			<b>Inside</b>		<b>Outside</b>		
	<b>#</b>	<b>%</b>	<b>#</b>	<b>%</b>		<b>\$</b>	<b>%</b>	<b>\$</b>	<b>%</b>	
Home Mortgage	1,183	87.7	166	12.3	1,349	181,326	82.7	37,853	17.3	219,179
Small Business	53	88.3	7	11.7	60	6,854	75.6	2,213	24.4	9,067
<b>Total</b>	1,236	87.7	173	12.3	1,409	188,180	82.4	40,066	17.6	228,246
<i>Source: 01/01/18 – 12/31/18 Bank Data. Due to rounding, totals may not equal 100.0%</i>										

## Description of Institution

FCN is a full-service interstate bank headquartered in Brookville, Indiana. The bank is wholly owned by FCN Banc Corp., a one-bank holding company also headquartered in Brookville. As of December 31, 2020, total assets were \$681.3 million with \$372 million in net loans and leases, \$579.5 million in total deposits, and \$63.3 million in tier 1 capital.

The bank operates six full-service offices and one drive-up facility. Five of the six branches are in Indiana and one branch is in Harrison, Ohio. The bank's main office and separate drive-up facility are in Brookville, Indiana (Franklin County) in a moderate-income census tract (CT) as of the date of this report. Also located in Franklin County is the Batesville office in a middle-income CT as of the date of this report. The Connersville office is located north of Brookville in Fayette County in a middle-income CT. The Lawrenceburg, Indiana branch is in Dearborn County in a moderate-income CT. The Sunman branch is south of Brookville in Sunman, Indiana (Ripley County) in an upper-income CT. The Ohio branch is in Harrison, Ohio, in Hamilton County in an upper-income CT. All branches have automated teller machines (ATMs) except the main office. The drive-up facility in Brookville is located approximately one block away from the main office and has an ATM. During the evaluation period, the bank had two stand-alone ATMs, one in a gas station in Brookville and one in the Everton/Connersville area (former FCN office). The stand-alone ATM in Brookville was removed in September 2020. All offices have drive-up facilities, except the main office. The bank's branches are accessible to the entire community. Services offered and hours of operation are comparable among locations.

In May 2020, FCN bank merged with Dearborn Savings Bank. Dearborn Savings Bank had one office location at 595 West Eads Parkway in Lawrenceburg, Indiana. This location opened as an FCN branch on May 17, 2020. There were no other merger or acquisition activities that affected the scope of the bank's operations during the evaluation period. No branches were closed since the last CRA evaluation.

FCN's primary business focus is residential real estate (home mortgage) and commercial and industrial and commercial real estate (business) lending. The bank offers a variety of standard lending and deposit products and services through their full-service banking offices to accommodate their customers, including online and mobile banking. There are no substantial differences in the business focus or services offered between the bank's branches.

As of the December 31, 2020, Consolidated Reports of Condition and Income (Call Report) and Uniform Bank Performance Reports (UBPR), FCN's total loans equaled \$376.8 million representing

55.3 percent of total assets. The composition of loans includes home mortgage of 40 percent, business of 45 percent, consumer of 2 percent, and farm of 13 percent. During the evaluation period, the bank sold 905 home mortgage loans to the secondary market, totaling \$149.9 million.

FCN is an interstate financial institution with two AAs and two rating areas. The AAs are contiguous, meet the requirements of the CRA regulation, and do not arbitrarily exclude low- and moderate-income (LMI) geographies. The AAs and rating areas are described in the “Scope of the Evaluation” under “Selection of Areas for Full-Scope Review” and “Ratings.”

FCN’s prior CRA Performance Evaluation was dated March 13, 2018, and the overall CRA rating was Satisfactory. There are no financial or legal impediments that affected the bank’s ability to help meet the credit needs of its AAs during the evaluation period. However, the global Coronavirus Disease (also referred to as COVID-19) pandemic in 2020 impacted the local economy, including unemployment data. The U.S. Small Business Administration’s (SBA) Paycheck Protection Program (PPP) provided loans to help businesses keep their workforces employed during the COVID-19 crisis. The bank was particularly responsive to the SBA’s PPP and originated a significant volume of PPP loans, given the bank’s size and capacity.

## Scope of the Evaluation

### Evaluation Period/Products Evaluated

The Office of the Comptroller of the Currency (OCC) conducted a CRA evaluation to assess the bank’s record of meeting the credit and CD needs of its entire community, including LMI areas. The OCC used intermediate small bank CRA evaluation procedures to assess the bank’s performance under the Lending Test and CD Test. The OCC analyzed lending activity in full-year increments during the evaluation period, January 1, 2018 to December 31, 2020. The CD Test considered CD loans, investments, and services since the previous CRA evaluation from March 14, 2018 to December 31, 2020 (CD evaluation period).

With an evaluation period end date of December 31, 2020, qualifying activities performed in response to the significant impact the Coronavirus pandemic has had on economies across the United States was included in this evaluation.

Based on discussions with management and the number and dollar volume of loan origination data supplied by the bank, the bank’s primary lending focus is home mortgage and business lending. Based on the number of originated and purchased loans during the evaluation period (2018 – 2020), home mortgage loans accounted for 55 percent, business loans accounted for 21 percent, farm loans accounted for 3 percent, and consumer loans accounted for 21 percent of total loan originations and purchases. Based on the dollar volume of originated and purchased loans during the evaluation period, home mortgage loans accounted for 52 percent, business loans accounted for 40 percent, farm loans accounted for 6 percent, and consumer loans accounted for 2 percent of total loan originations and purchases.

To evaluate the bank’s performance, the OCC relied on internal bank reports for the business loans. For lending in the AA, the OCC transaction tested 20 loans per year. For the geographic and borrower income (based on business revenues) distributions, the OCC transaction tested 20 business loans originated or purchased in 2018 and 40 business loans originated or purchased in 2019 – 2020. The OCC used all Home Mortgage Disclosure Act (HMDA) data for years 2018, 2019, and 2020 to analyze the bank’s home mortgage loan performance.

For analysis purpose, the OCC compared the bank’s lending performance with demographic data from the 2015 American Community Survey (ACS) U.S. Census and Dun and Bradstreet (D&B) Data as of June 2020. No affiliate activity was included in this analysis. Refer to the table in appendix A, Scope of the Examination, for more information on the scope of the review.

### **Selection of Areas for Full-Scope Review**

In each state where the bank has an office, one or more of the AAs within that state was selected for a full-scope review. For purposes of this evaluation, bank delineated assessment areas located within the same metropolitan statistical area (MSA), multistate metropolitan statistical area (MMSA), or combined statistical area (CSA) are combined and evaluated as a single AA. Similarly, bank delineated non-MSA AAs within the same state are combined and evaluated as a single area. These combined AAs may be evaluated as full- or limited-scope. Refer to the “Scope” section under each State Rating for details regarding how full-scope AAs were selected. Refer to appendix A, Scope of Examination, for a list of full- and limited-scope AAs.

FCN has two AAs, one in the State of Indiana (Non-MSA AA) and one in the Cincinnati, OH-KY-IN MMSA 17140 (Cincinnati MMSA AA). The bank’s AAs did not change since the previous CRA evaluation in 2018; however, Franklin County, Indiana moved from the Non-MSA AA in 2018 into the Cincinnati MMSA AA in 2019. Due to the transition of Franklin County from the Non-MSA AA to Cincinnati MMSA AA, the OCC analyzed 2018 separately from 2019 – 2020. The tables in Appendix D reflect the separate analyses. The bank’s branch in Harrison, Ohio, is located near the Ohio/Indiana state line. As of 2019 and 2020, FCN had at least one branch in two different states of the Cincinnati MMSA AA (Indiana and Ohio).

In 2018, the bank’s AAs included the following:

- Non-MSA AA: The AA included all of Franklin and Fayette counties and portions of Decatur, Ripley, and Rush counties in Indiana.
- Cincinnati MMSA AA: The AA included all of Dearborn and Union counties in Indiana and portions of Hamilton and Butler counties in Ohio.

In 2019 - 2020, the bank’s AAs included the following:

- Non-MSA AA: The AA included Fayette County in its entirety and portions of Decatur, Ripley, and Rush counties in Indiana.
- Cincinnati MMSA AA: The AA included all of Dearborn, Franklin, and Union counties in Indiana and portions of Hamilton and Butler counties in Ohio.

The OCC completed a full-scope review for each AA. A community profile for each AA is provided in the “Description of Institution’s Operations in the Cincinnati MMSA AA” and “Descriptions of Institution’s Operations in Indiana.”

### **Ratings**

The bank’s overall rating is a blend of the state (Indiana) and multistate ratings (Cincinnati MMSA).

The MMSA rating and state ratings are based on performance in all bank AAs. Refer to the “Scope” section under each state and MMSA Rating section for details regarding how the areas were weighted in arriving at the respective ratings. Due to the changes in the AAs resulting from Franklin County,

Indiana, moving from the Non-MSA AA in 2018 to the Cincinnati MMSA AA in 2019 – 2020, the OCC placed more weight on the AAs in 2019 and 2020. Additionally, the OCC placed more weight on the Cincinnati MMSA given that 63 percent of the home mortgage loans originated and purchased during the evaluation period and 80 percent of the total deposits as of June 30, 2020, are inside the Cincinnati MMSA AA.

## **Discriminatory or Other Illegal Credit Practices Review**

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

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

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



## Multistate Metropolitan Statistical Area Rating

### Cincinnati, OH-KY-IN Multistate MSA 17140

**CRA rating for the Cincinnati MMSA AA<sup>1</sup>:** Outstanding.

**The Lending Test is rated:** Outstanding.

**The Community Development Test is rated:** Outstanding.

The major factors that support this rating include:

- FCN exhibits excellent geographic distribution of loans in the MMSA.
- The bank's distribution of loans to borrowers of different income levels and businesses of different sizes is excellent.
- The bank's responsiveness to CD needs of the AA through CD lending, qualified investments, and CD services is overall excellent.

### Description of Institution's Operations in the Cincinnati MMSA AA

#### Cincinnati MMSA AA

Demographic Information of the Assessment Area						
Assessment Area: Cincinnati MMSA AA						
2018						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	24	4.2	8.3	66.7	8.3	12.5
Population by Geography	111,782	1.4	8.0	68.1	10.0	12.5
Housing Units by Geography	44,011	1.5	9.2	71.9	11.0	6.5
Owner-Occupied Units by Geography	28,916	1.4	6.5	81.0	10.4	0.7
Occupied Rental Units by Geography	10,947	1.8	15.7	51.9	12.3	18.4
Vacant Units by Geography	4,148	1.2	11.8	60.6	11.1	15.3
Businesses by Geography	5,778	2.5	16.0	67.7	8.2	5.5
Farms by Geography	408	1.5	3.2	91.2	3.4	0.7
Family Distribution by Income Level	26,536	18.8	17.9	23.2	40.1	0.0
Household Distribution by Income Level	39,863	23.8	16.7	17.7	41.7	0.0
Median Family Income MSA - 17140 Cincinnati, OH-KY-IN MSA		\$70,589	Median Housing Value			\$155,503
			Median Gross Rent			\$763
			Families Below Poverty Level			6.4%

Source: 2015 ACS and 2018 D&B Data.  
Due to rounding, totals may not equal 100.0%.  
(\* ) The NA category consists of geographies that have not been assigned an income classification.

<sup>1</sup> This rating reflects performance within the MMSA. The statewide evaluations do not reflect performance in the parts of those states contained within the MMSA.

<b>Demographic Information of the Assessment Area</b>						
<b>Assessment Area: Cincinnati MMSA AA</b>						
<b>2019 – 2020</b>						
<b>Demographic Characteristics</b>	<b>#</b>	<b>Low % of #</b>	<b>Moderate % of #</b>	<b>Middle % of #</b>	<b>Upper % of #</b>	<b>NA* % of #</b>
Geographies (Census Tracts)	29	0.0	17.2	65.5	6.9	10.3
Population by Geography	134,717	0.0	12.5	68.9	8.3	10.3
Housing Units by Geography	53,564	0.0	14.1	71.6	9.0	5.3
Owner-Occupied Units by Geography	35,987	0.0	11.1	80.0	8.4	0.5
Occupied Rental Units by Geography	12,724	0.0	21.0	52.6	10.6	15.8
Vacant Units by Geography	4,853	0.0	17.6	59.8	9.5	13.1
Businesses by Geography	8,005	0.0	21.2	67.8	6.3	4.7
Farms by Geography	635	0.0	7.1	89.8	2.7	0.5
Family Distribution by Income Level	33,323	18.2	18.1	22.8	40.9	0.0
Household Distribution by Income Level	48,711	22.8	16.4	18.3	42.6	0.0
Median Family Income MSA - 17140 Cincinnati, OH-KY-IN MSA		\$69,949	Median Housing Value			\$154,088
			Median Gross Rent			\$746
			Families Below Poverty Level			6.6%
<i>Source: 2015 ACS and 2020 D&amp;B Data.</i> <i>Due to rounding, totals may not equal 100.0%.</i> <i>(*) The NA category consists of geographies that have not been assigned an income classification.</i>						

During the evaluation period, Franklin County, Indiana, transitioned from the Non-MSA AA in 2018 to the Cincinnati MMSA AA in 2019 and 2020. Therefore, the analysis regarding Franklin County, Indiana, will be included in the Cincinnati MMSA AA for 2019 and 2020 only. As stated above, in 2018 the Cincinnati MMSA AA included Dearborn and Union Counties in Indiana and portions of Butler County, Ohio (CTs 101.01, 101.02, 101.03, 101.04, 102.01, 102.02, and 102.03) and Hamilton County, Ohio (CTs 260.01, 260.02, 261.01, 261.02, and 262). In 2019 and 2020, the Cincinnati MMSA AA included Dearborn, Union, and Franklin counties in Indiana (entire counties) and the same CTs as indicated above for Butler and Hamilton Counties. The CTs in the AA are contiguous, meet the requirements of the CRA, and do not arbitrarily exclude LMI geographies. Bank management selected the AA based on their targeted lending territory, the area with the most deposit and lending activity, and office locations.

In addition to the Franklin County transition to the Cincinnati MMSA AA in 2019 and 2020, there was one CT classification change during the review period. In Hamilton County, Ohio, CT 262 transitioned from low-income in 2018 to moderate-income in 2019-2020. These were the only changes since the previous CRA evaluation. The CT changes were accounted for in the tables in Appendix D. According to the 2015 ACS U.S. Census Data for 2018, the Cincinnati MMSA AA consists of 24 CTs with one low-income, two moderate-income, 16 middle-income, two upper-income, and three CTs that have not been assigned an income classification. According to the 2015 ACS U.S. Census Data for 2019 and 2020, the Cincinnati MMSA AA consists of 29 CTs with zero low-income, five moderate-income, 19 middle-income, two upper-income, and three CTs that have not been assigned an income classification.

During the evaluation period, the bank opened one office in Lawrenceburg, Indiana resulting from the merger with Dearborn Savings Bank in 2020. All offices have ATM access except the main office. The bank had the following branches per year in the Cincinnati MMSA AA:

- 2018 – FCN had one branch located in Harrison, Ohio, in an upper-income CT.
- 2019 – FCN had three branches and one drive-up facility (Brookville), which included Brookville, Indiana (moderate-income CT), Batesville, Indiana (middle-income CT), and Harrison, Ohio (upper-income CT).
- 2020 – FCN has four branches and one drive-up facility (Brookville), which includes Brookville (moderate-income CT), Batesville (middle-income CT), Harrison (upper-income CT), and Lawrenceburg, Indiana (moderate-income CT).

As of the 2015 ACS U.S. Census Data for 2019 and 2020, the Cincinnati MMSA AA includes 33,323 families and 48,711 households. Low-income families represent 18.2 percent and moderate-income families represent 18.1 percent of total families in the Cincinnati MMSA AA. The Federal Financial Institutions Examination Council's (FFIEC) weighted average median family income (updated each year) for the Cincinnati MMSA AA was \$77,000 for 2018, \$76,700 for 2019, and \$80,100 for 2020.

According to the 2015 ACS U.S. Census Data for 2018, the median housing value in the Cincinnati MMSA AA was \$155,503. Based on the weighted average of Census MSA Median Family Income of \$70,589 in the table above, low-income families make less than \$35,295 (individual income that is less than 50 percent of the area median family income) and moderate-income families make at least \$35,295 but less than \$56,471 (individual income that is at least 50 percent and less than 80 percent of the area median family income). Overall median housing values are approximately 2.8 to 4.4 times the weighted average of Census MSA median family income of the LMI families in the AA. The housing costs relative to income may have a limiting effect on mortgage demand among some LMI families. As of the 2015 ACS U.S. Census, there are 44,011 total housing units in the Cincinnati MMSA AA, of which 65.7 percent are owner-occupied and 24.8 percent are rental occupied units. Approximately 6.4 percent of the families and 12.8 percent of the households live below the poverty level. Families and households below the poverty level make it especially difficult for this segment of the population to afford and maintain a home or qualify for a loan.

According to the 2015 ACS U.S. Census Data for 2019 and 2020, the median housing value in the Cincinnati MMSA AA was \$154,088. Based on the weighted average of Census MSA Median Family Income of \$69,949 in the table above, low-income families make less than \$34,975 (individual income that is less than 50 percent of the area median family income) and moderate-income families make at least \$34,975 but less than \$55,959 (individual income that is at least 50 percent and less than 80 percent of the area median family income). Overall median housing values are approximately 2.8 to 4.4 times the weighted average of Census MSA median family income of the LMI families in the AA. The housing costs relative to income may have a limiting effect on mortgage demand among some LMI families. As of the 2015 ACS U.S. Census, there are 53,564 total housing units in the Cincinnati MMSA AA, of which 67.2 percent are owner-occupied and 23.8 percent are rental occupied units. Approximately 6.6 percent of the families and 12.4 percent of the households live below the poverty level.

Competition in the Cincinnati MMSA AA is strong due to the presence of many regional and community banks, as well as credit unions in the area. Competitors with significant deposit market share include U.S Bank, National Association (N.A.) and Fifth Third Bank, N.A. As of the

June 30, 2020 Federal Deposit Insurance Corporation's (FDIC's) Deposit Market Share Report, there were 43 financial institutions operating 388 banking offices in the Cincinnati MMSA AA, including FCN. Approximately 80 percent of FCN's total deposits at June 30, 2020, were in the Cincinnati MMSA AA. The June 30, 2020 FDIC deposit market share data shows FCN's \$445.1 million in total deposits in this AA ranks twelfth in overall deposit market share at 0.3 percent.

As stated above, home mortgage lending is a primary business focus for the bank. FCN ranks fifth out of 251 lenders in the AA in residential home mortgage volume based on the 2019 Peer Mortgage Data and 2015 ACS U.S. Census Data. FCN had a 3.5 percent lending market share as of the 2019 Peer Mortgage Data Report. Top mortgage lenders in the AA include First Financial Bank, Fifth Third Bank, N.A., U.S. Bank, N.A., and AmeriFirst Financial Corporation. The top four financial institutions in market share accounted for 22 percent of the total market share. During the evaluation period, 62.6 percent of the bank's home mortgage loan originations and purchases inside the AA were in the Cincinnati MMSA AA.

Business lending (small loans to businesses) is also a primary business focus. According to the 2019 Peer Small Business Data, ten banks dominate the small business lending market share in the AA, accounting for about 83 percent of the number of small loans originated, with one bank responsible for 21 percent of the number of small business loans made in the AA. FCN is not a CRA loan data reporter; therefore, the bank's data is not included in the Peer Small Business Data Report. According to the D&B Data as of June 2020, the AA has 8,005 non-farm businesses. The total number of non-farm businesses with gross revenues of \$1 million or less is 6,779, representing 84.7 percent of all non-farm businesses. Additionally, 65.2 percent of the businesses have fewer than five employees, 1.6 percent of the businesses are headquartered in the bank's AA, and 90 percent operate from a single location.

Overall, the economic conditions in the Cincinnati MMSA AA were stable during most of the evaluation period. As stated above, the country's economy suffered from a global pandemic (COVID-19) in 2020 and many people temporarily lost their jobs as a result. However, the Cincinnati MMSA AA's economy is coming back and is overall stable. The unemployment rates (not seasonally adjusted) as of December 2020 were overall higher than December 2019 for most of the counties in the AA. In both Ohio and Indiana, the December 2020 unemployment rates for each county in the AA were lower than the state and national rates.

<b>Unemployment Rates as of December 30 of each year (not seasonally adjusted)</b>			
	<b>2018</b>	<b>2019</b>	<b>2020</b>
Dearborn County, IN	3.6	3.2	3.6
Franklin County, IN	3.8	3.0	3.1
Union County, IN	3.3	2.9	2.7
Butler County, OH	4.2	3.3	4.4
Hamilton County, OH	4.2	3.3	5.0
State of Ohio	4.8	3.8	5.2
State of Indiana	3.4	3.0	4.0
United States	3.7	3.4	6.5

Source: Ohio Department of Job and Family Services/Office of Workforce Development/Bureau of Labor Market Information and Indiana Department of Workforce Development (DWD), Local Area Unemployment Statistics.

The Cincinnati MMSA AA has a diversified economic base, including manufacturing, wholesale and retail trade, education and health services, government, and transportation. Many individuals in the AA commute to jobs in surrounding cities, including Cincinnati and Dayton, Ohio. Primary employers in

Dearborn County, Indiana include Hollywood Casino, Matthews Aurora Funeral Solutions, and Perfect North Slopes. Primary employers in Franklin County, Indiana include Hillenbrand Inc., Margaret Mary Health, and Batesville Tool & Die Inc. Major employers in Union County, Indiana include NSK Corporation, First Merchants Bank, and the local school systems. Major employers in Hamilton County, Ohio include Kroger Co., Cincinnati Children’s Hospital, Procter & Gamble Co., and Cincinnati/Northern Kentucky International Airport. Major employers in Butler County, Ohio include Miami University and AK Steel Holding Corp.

As part of this CRA evaluation, the OCC reviewed information provided from interviews with representatives from affordable housing or other non-profit organizations. The contacts identified affordable housing, short-term loans, and home maintenance/rehab loans as needs in the community. In general, local financial institutions are adequately meeting the credit and CD needs of the community.

## **Scope of Evaluation in Cincinnati MMSA AA**

The OCC performed a full-scope review of the Cincinnati MMSA AA. The data in the AA was analyzed and presented as one AA for purposes of this evaluation. Home mortgage and business loans are the bank’s primary lending products and were evaluated under the Lending Test. The OCC transaction tested 60 small business loans that were originated or purchased inside the AA for the geographic and borrower income distribution analysis. The OCC used HMDA data for 2018, 2019, and 2020 for the home mortgage analysis. The OCC reviewed CD loans, investments, and services in the AA during the evaluation period. Refer to the “Scope of the Evaluation” section for more details.

Of the home mortgage loans originated or purchased inside the AAs, approximately 62.6 percent were in the MMSA AA. According to the FDIC’s Deposit Market Share Report as of June 30, 2020, approximately 80 percent of the bank’s deposits are in the Cincinnati MMSA AA, with 20 percent in the Non-MSA AA. Of the total loan originations and purchases during the evaluation period, 55 percent by number and 52 percent by dollar volume were home mortgage loans and 21 percent by number and 40 percent by dollar volume were business loans. The OCC placed equal weight on the two primary products. Due to the changes in the AAs resulting from Franklin County, Indiana, moving from the Non-MSA AA in 2018 to the Cincinnati MMSA AA in 2019 – 2020, the OCC placed more weight on the AAs in 2019 and 2020. Additionally, the OCC placed more weight on the Cincinnati MMSA given that 62.6 percent of the home mortgage loans and 80 percent of the total deposits are inside the MMSA AA.

For CD, the OCC placed more weight on the bank’s CD lending, as the bank was particularly responsive to the SBA’s PPP loans in 2020. Refer to the “Number and Amount of Community Development Loans” under the “Community Development Test” for more information.

## **CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN THE CINCINNATI MMSA AA**

### **LENDING TEST**

The bank’s performance under the Lending Test in the Cincinnati MMSA AA is rated Outstanding.

Based on a full-scope review, the bank’s performance in the Cincinnati MMSA AA is excellent.

As stated above, the OCC placed more weight on the Cincinnati MMSA AA and the 2019 – 2020 analysis. The OCC noted that 700 of the 740 (95 percent) home mortgage loans originated or purchased during the evaluation period in the Cincinnati MMSA AA were in 2019 and 2020, with only 40 home mortgages originated or purchased in 2018. Additionally, two of the three years (2019 and 2020) in the evaluation period included more branches in moderate-income CTs when Franklin County, Indiana, transitioned from the Non-MSA AA into the MMSA AA, which can contribute to more lending in moderate-income areas.

### **Distribution of Loans by Income Level of the Geography**

The bank exhibits excellent geographic distribution of loans in the MMSA.

#### ***Home Mortgage Loans***

Refer to Table O in the “MMSA” section of appendix D for the facts and data used to evaluate the geographic distribution of the bank’s home mortgage loan originations and purchases.

The OCC compared the percentage of home mortgage loans originated or purchased by the bank to the percentage of owner-occupied housing units (demographic data) in the four geographic income categories, placing emphasis on the LMI geographies. The OCC also compared the bank’s performance against the percentage of home mortgage loans of other mortgage lenders (aggregate data) in the AA, as demonstrated by HMDA aggregate data.

The bank exhibits excellent geographic distribution of home mortgage loans in the Cincinnati MMSA AA.

In 2019 and 2020, FCN originated 700 home mortgage loans in the Cincinnati MMSA AA. There were no low-income CTs. The bank’s percentage of lending in moderate-income geographies exceeded both demographic and aggregate lending data, demonstrating excellent performance.

In 2018, the percentage of home mortgage loans originated by the bank in low-income CTs was below both demographic and aggregate lending data of other HMDA reports. However, there was only one low-income CT in the AA, and it was not near a branch. The bank’s level of lending in the moderate-income CTs was also below demographic and aggregate lending data but is considered overall reasonable. In 2018, the bank only originated 40 home mortgage loans in this AA. The bank had one branch in an upper-income CT in the Cincinnati MMSA AA in 2018, which was the Harrison, Ohio Branch. In the lending analysis, the OCC also considered several performance context factors. The analysis took into consideration the limited opportunities to lend in the low-income tracts given the low level of owner-occupied housing. As of the 2015 ACS U.S. Census data, the average age of housing stock in 2018 was approximately 43 years. The maintenance costs associated with older housing stock is a significant obstacle to homeownership, which could result in a reduction of mortgage loan demand. Competition in the Cincinnati MMSA AA is strong, with many financial institutions competing for the same loans and some lenders offering first-time homebuyer loan products and services to attract such loans.

#### ***Small Loans to Businesses***

Refer to Table Q in the “MMSA” section of appendix D for the facts and data used to evaluate the geographic distribution of the bank’s originations and purchases of small loans to businesses.

The OCC compared the percentage of the number of small loans to businesses originated or purchased by the bank in the four geographic income categories to the distribution of businesses throughout those geographies (demographic data), placing emphasis on the LMI geographies. The OCC also compared the bank's performance against the percentage of small loans to businesses of other lenders (aggregate data), as demonstrated by CRA aggregate data.

FCN exhibits an overall excellent geographic distribution of small loans to businesses in the Cincinnati MMSA AA.

In 2019 and 2020, the percentage of small loans to businesses originated or purchased by the bank in the moderate-income CTs significantly exceeded both the demographic comparator and CRA aggregate lending data of other lenders, representing excellent performance. There were no low-income CTs in the AA during this review period.

In 2018, FCN's percentage of small loans to businesses originated or purchased by the bank in the low-income CTs exceeded the demographic data but was below aggregate lending data. The bank's percentage of loans in the moderate-income CTs was below both demographic and aggregate lending data. The bank had one branch in this AA in 2018 in Harrison, Ohio, in an upper-income CT.

### ***Lending Gap Analysis***

Overall, the OCC did not identify any unexplained, conspicuous gaps in the lending distribution. The OCC reviewed internal bank reports and maps to identify potential significant gaps in the distribution of loans over the evaluation period.

### **Distribution of Loans by Income Level of the Borrower**

The bank exhibits an excellent distribution of loans to individuals of different income levels and businesses of different sizes, given the product lines offered by the bank.

### ***Home Mortgage Loans***

Refer to Table P in the "MMSA" section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

The OCC compared the percentage of home mortgage loans originated or purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage distribution of families by income level (demographic data), placing emphasis on lending to LMI families. The OCC also compared the bank's performance against home mortgage loans of other home mortgage lenders (aggregate data), as demonstrated by HMDA aggregate data.

FCN's overall distribution of home mortgage loans by borrower income level reflects an excellent distribution.

In 2019 and 2020, the bank's level of home mortgage lending to low-income borrowers exceeds aggregate data but is below demographic data. FCN's level of home mortgage lending to moderate-income borrowers exceeds both demographic and aggregate data, demonstrating excellent performance.

In 2018, the bank's level of home mortgage lending to LMI borrowers was below both aggregate and demographic data but is overall reasonable.

The OCC considered other factors in the bank's performance during the review, including the cost of homeownership in the AA as an obstacle to homeownership for LMI borrowers. As stated above, the overall median housing values are 2.8 to 4.4 times the weighted average of median family income of LMI families in the AA. This obstacle may result in fewer opportunities to originate mortgage loans to LMI families. Additionally, 6.4 and 6.6 percent, for 2018 and 2019 – 2020 respectively, of the families live below poverty.

Competition in the AA is strong. As stated above, FCN ranks fifth out of 251 lenders in home mortgage lending market share at 3.5 percent, as of the 2019 Peer Mortgage Data, behind four larger financial institutions (First Financial Bank, Fifth Third, N.A, U.S. Bank, N.A. and AmeriFirst Financial Corporation). The top four mortgage lenders in this AA account for almost 22 percent of the home mortgage loan originations. As of the 2018 Peer Mortgage Data, FCN ranked 25<sup>th</sup> out of 229 lenders with a market share of 1.2 percent due to Franklin County, Indiana, not being included in the MMSA AA in 2018.

### ***Small Loans to Businesses***

Refer to Table R in the "MMSA" section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's originations and purchases of small loans to businesses.

The OCC compared the percentage distribution of the number of small loans to businesses originated and purchased by the bank (by annual gross revenue level) to businesses with annual gross revenues of \$1 million or less. The OCC also compared the bank's performance to aggregate small business data, as demonstrated by CRA aggregate data.

FCN exhibits an excellent distribution of small loans to businesses of different sizes within the AA.

As evidenced in Table R in Appendix D for 2019 and 2020, the bank's percentage of small loans to businesses with annual gross revenues of \$1 million or less significantly exceeds CRA aggregate lending data, but is below the percentage of businesses with annual gross revenues of \$1 million or less (demographic data). In the lending analysis, the OCC considered performance context factors, including strong competition in the AA. Ten larger financial institutions account for over 83 percent of the small business lending market share in the AA, as of the 2019 Peer Small Business Data Report. As of the June 2020 D&B data, only 1.6 percent of the businesses are headquartered in the bank's AA.

As of 2018, the bank's percentage of small loans to businesses with annual gross revenues of \$1 million or less significantly exceeds CRA aggregate lending data but is below the percentage of businesses with annual gross revenues of \$1 million or less (demographic data). In the lending analysis, the OCC considered performance context factors, including strong competition in the AA. Ten larger financial institutions account for about 83 percent of the small business loan market share in the AA, as of the 2018 Peer Small Business Data Report. As of the June 2018 D&B data, only 1.9 percent of the businesses are headquartered in the bank's AA.



## Responses to Complaints

The bank has not received any complaints about its CRA performance in helping to meet the AA's credit needs during the evaluation period.

## COMMUNITY DEVELOPMENT TEST

The bank's performance under the Community Development Test in the Cincinnati MMSA AA is rated Outstanding.

Based on a full-scope review, the bank exhibits excellent responsiveness to CD needs in the MMSA through CD loans, qualified investments, and CD services, as appropriate, considering the bank's capacity and the need and availability of such opportunities for CD in the bank's AAs.

FCN was particularly responsive to the current COVID-19 pandemic, and its level of CD loans were highly impactful. The OCC placed more weight on CD lending, given the bank's excellent responsiveness to the COVID-19 crisis and volume of CD loans made in response to the COVID-19 pandemic.

### Number and Amount of Community Development Loans

Refer to the CD Loan table below for the facts and data used to evaluate the bank's level of CD lending. The table includes all CD loans, including multifamily loans that also qualify as CD loans.

Community Development Loans				
Assessment Area	Total			
	#	% of Total #	\$(000's)	% of Total \$
Cincinnati MMSA AA	173	91.0	\$11,449	86.6
Statewide/Regional Loans with Direct Benefit	17	9.0	\$1,769	13.4

FCN's CD lending reflects excellent responsiveness to the CD needs in the MMSA. FCN originated 173 qualified CD loans inside the Cincinnati MMSA AA and 17 CD loans in the broader statewide or regional area, totaling \$13.2 million, which equates to 26.2 percent of allocated tier 1 capital based on total deposits in the AA. Allocated tier 1 capital is calculated based upon the percentage of total deposits in the AA as of June 30, 2020.

FCN originated one loan totaling \$100,000 to borrowers that provide affordable housing to LMI individuals in the Lawrenceburg, Indiana area. The bank originated four loans totaling \$216,622 to borrowers that provide essential services in LMI CTs, including healthcare, transportation services, meal deliveries, and fire protection services.

In response to the global COVID-19 pandemic, FCN originated 168 SBA PPP loans totaling \$11.1 million to borrowers to help stabilize and revitalize local communities and to help businesses keep their workforces employed. Of the 168 loans, 56 loans totaling \$3.8 million were originated in moderate-

income CTs, which represents 33 percent and 34 percent of the totals in this AA, respectively. Given the current COVID-19 crisis, the PPP loans are innovative, flexible loan products, and the bank was particularly responsive to the community's needs.

### Statewide/Regional Loans

FCN is responsive to the CD needs and opportunities in its AA; therefore, the OCC also considered CD lending in the broader regional area that provided direct benefit to the bank's delineated AA. The bank originated 17 SBA PPP loans in the broader regional area in Ohio totaling \$1.8 million. These loans were originated in Hamilton, Butler, and Clermont counties in the MMSA.

### **Number and Amount of Qualified Investments**

Qualified Investments										
Assessment Area	Prior Period*		Current Period		Total				Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	% of Total #	\$(000's)	% of Total \$	#	\$(000's)
Cincinnati MMSA AA	0	0	21	\$45	21	100.0	\$45	100.0	0	0

\* Prior Period Investments means investments made in a previous evaluation period that are outstanding as of the examination date.

\*\* Unfunded Commitments means legally binding investment commitments that are tracked and recorded by the institution's financial reporting system.

The Qualified Investment Table, shown above, sets forth the information and data used to evaluate the bank's level of qualified CD investments. The table includes all CD investments, including prior period investments that remain outstanding as of the examination date.

FCN originated 21 qualified CD investments/donations to 16 different organizations inside the Cincinnati MMSA AA during the evaluation period, totaling \$44,936. This equates to 0.1 percent of allocated tier 1 capital based on total deposits in the AA as of June 30, 2020. The organizations provide services to LMI individuals, including donations to community foundations or other organizations that support local jobs and COVID-19 relief efforts and provide youth programs in LMI areas, low-cost health services to LMI children, and essential fire and emergency protections services in LMI areas.

### **Extent to Which the Bank Provides Community Development Services**

FCN provided an excellent level of CD services within the MMSA AA during the review period and had a positive impact on the AA's needs. During the evaluation period, the bank had 16 employees provide CD services to 20 different organizations in the AAs, totaling over 1,196 hours during the review period. Twelve of these employees provided CD services in both the State of Indiana and the MMSA rating areas. The OCC noted that multiple employees serve as either a board member, treasurer, or executive committee member of CD organizations, demonstrating a high level of involvement and leadership.

Bank personnel provide technical and financial expertise in the Cincinnati MMSA AA. During the CD evaluation period, bank officers and/or employees provided CD qualifying services to various community organizations. These organizations provide essential services to LMI individuals as well as services to organizations dedicated to promoting economic development and stabilization. For example, two bank employees work with the Franklin County Community Foundation as a board member and treasurer. The foundation is used to build permanent endowed funds for charitable purposes, including

scholarships and grants to LMI students. In addition, several bank employees work with the local chambers of commerce within the AA, as a director, treasurer or serve on an executive committee, promoting economic development and small business assistance in the AA.

## State Rating

### State of Indiana

**CRA rating for the State of Indiana<sup>2</sup>:** Satisfactory.

**The Lending Test is rated:** Satisfactory.

**The Community Development Test is rated:** Outstanding.

The major factors that support this rating include:

- FCN exhibits reasonable geographic distribution of loans in the state.
- The bank's distribution of loans to borrowers of different income levels and businesses of different sizes is reasonable.
- The bank's responsiveness to CD needs of the AA through CD lending, qualified investments, and CD services is overall excellent.

### Description of Institution's Operations in Indiana

#### Non-MSA AA

Demographic Information of the Assessment Area						
Assessment Area: Non-MSA AA						
2018						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	24	0.0	25.0	50.0	25.0	0.0
Population by Geography	100,304	0.0	20.7	48.6	30.7	0.0
Housing Units by Geography	43,368	0.0	22.9	47.7	29.4	0.0
Owner-Occupied Units by Geography	28,432	0.0	18.4	50.3	31.3	0.0
Occupied Rental Units by Geography	10,811	0.0	31.4	43.2	25.4	0.0
Vacant Units by Geography	4,125	0.0	31.0	42.2	26.8	0.0
Businesses by Geography	5,432	0.0	21.5	42.6	35.9	0.0
Farms by Geography	736	0.0	8.7	46.6	44.7	0.0
Family Distribution by Income Level	27,786	18.5	19.2	21.1	41.2	0.0
Household Distribution by Income Level	39,243	21.9	15.6	20.4	42.1	0.0
Median Family Income Non-MSAs - IN		\$55,741	Median Housing Value			\$119,069
			Median Gross Rent			\$659
			Families Below Poverty Level			10.4%

<sup>2</sup> This rating reflects performance within the state. The statewide evaluations do not reflect performance in the parts of those states contained within the MMSA.

Source: 2015 ACS and 2018 D&B Data.

Due to rounding, totals may not equal 100.0%.

(\*) The NA category consists of geographies that have not been assigned an income classification.

Demographic Information of the Assessment Area						
Assessment Area: Non-MSA AA						
2019 - 2020						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	19	0.0	26.3	47.4	26.3	0.0
Population by Geography	77,369	0.0	22.1	44.4	33.6	0.0
Housing Units by Geography	33,815	0.0	24.9	43.1	31.9	0.0
Owner-Occupied Units by Geography	21,361	0.0	19.4	45.9	34.7	0.0
Occupied Rental Units by Geography	9,034	0.0	34.8	38.5	26.7	0.0
Vacant Units by Geography	3,420	0.0	33.5	38.0	28.5	0.0
Businesses by Geography	4,961	0.0	23.7	36.1	40.2	0.0
Farms by Geography	565	0.0	9.9	35.6	54.5	0.0
Family Distribution by Income Level	20,999	19.4	19.3	21.0	40.3	0.0
Household Distribution by Income Level	30,395	23.1	15.8	20.3	40.7	0.0
Median Family Income Non-MSAs - IN		\$55,715	Median Housing Value			\$111,019
			Median Gross Rent			\$664
			Families Below Poverty Level			11.3%

Source: 2015 ACS and 2020 D&B Data  
 Due to rounding, totals may not equal 100.0%  
 (\*) The NA category consists of geographies that have not been assigned an income classification.

During the evaluation period, Franklin County, Indiana, transitioned from the Non-MSA AA in 2018 to the Cincinnati MMSA AA in 2019 and 2020. Therefore, the analysis regarding Franklin County, Indiana, will be included in the Non-MSA AA for 2018 only. As stated above, in 2018 the Non-MSA AA included Franklin and Fayette Counties in their entirety and portions of Decatur County (CTs 9690, 9692, 9693, and 9694), Ripley County (CTs 9684, 9685, 9686, 9688, and 9689), and Rush County (9741, 9743, and 9744). In 2019 and 2020, the Non-MSA AA included Fayette County in its entirety, and portions of Decatur, Ripley, and Rush County, as described in 2018. The CTs in the AA are contiguous, meet the requirements of the CRA, and do not arbitrarily exclude LMI geographies. Bank management selected the AAs based on their targeted lending territory, the area with the most deposit and lending activity, and office locations.

There were no significant changes to the CTs in the Non-MSA, other than the transition of Franklin County, Indiana from the Non-MSA AA in 2018 into the Cincinnati MMSA AA in 2019, which is reflected in the tables in Appendix D. According to the 2015 ACS U.S. Census Data for 2018, the Non-MSA AA consisted of 24 CTs with zero low-income, six moderate-income, 12 middle-income, and six upper income CTs. According to the 2015 ACS U.S. Census Data for 2019 and 2020, the Non-MSA AA consisted of 19 CTs with zero low-income, five moderate-income, nine middle-income, and five upper income CTs.

All branches have ATM access except the main office. During the evaluation period, the bank had the following branches per year in the Indiana Non-MSA AA:

- 2018 - FCN had four branches and one drive-up facility (Brookville) in the Non-MSA AA, which included Connersville (middle-income CT), Sunman (upper-income CT), Brookville (middle-income CT) and Batesville (upper-income CT).
- 2019 – 2020 – FCN had two branches in the Non-MSA AA, which included Connersville (middle-income CT) and Sunman (upper-income CT).

As of the 2015 ACS U.S. Census data for 2019 and 2020, the Non-MSA AA includes 20,999 families and 30,395 households. Low-income families represent 19.4 percent and moderate-income families represent 19.3 percent of total families in the Non-MSA AA. The FFIEC’s weighted average median family income (updated each year) for the Non-MSA AA was \$61,000 for 2018, \$61,200 for 2019, and \$63,800 for 2020.

According to the 2015 ACS U.S. Census Data for 2018, the median housing value in the Non-MSA AA was \$119,069. Based on the weighted average of Census MSA Median Family Income of \$55,741 in the table above, low-income families make less than \$27,870 (individual income that is less than 50 percent of the area median family income) and moderate-income families make at least \$27,870 but less than \$44,593 (individual income that is at least 50 percent and less than 80 percent of the area median family income). Overall median housing values are approximately 2.7 to 4.3 times the weighted average of Census MSA median family income of the LMI families in the AA. The housing costs relative to income may have a limiting effect on mortgage demand among some LMI families. As of the 2015 ACS U.S. Census, there are 43,368 total housing units in the Non-MSA AA, of which 65.6 percent are owner-occupied and 24.9 percent are rental occupied units. Approximately 10.4 percent of the families and 13.4 percent of the households live below the poverty level. Families and households below the poverty level make it especially difficult for this segment of the population to afford and maintain a home or qualify for a loan.

According to the 2015 ACS U.S. Census Data for 2019 and 2020, the median housing value in the Non-MSA AA was \$111,019. Based on the weighted average of Census MSA Median Family Income of \$55,715 in the table above, low-income families make less than \$27,858 (individual income that is less than 50 percent of the area median family income) and moderate-income families make at least \$27,858 but less than \$44,572 (individual income that is at least 50 percent and less than 80 percent of the area median family income). Overall median housing values are approximately 2.5 to 4.0 times the weighted average of Census MSA median family income of the LMI families in the AA. The housing costs relative to income may have a limiting effect on mortgage demand among some LMI families. As of the 2015 ACS U.S. Census, there are 33,815 total housing units in the Non-MSA AA, of which 63.2 percent are owner-occupied and 26.7 percent are rental occupied units. Approximately 11.3 percent of the families and 14.3 percent of the households live below the poverty level. Families and households below the poverty level make it especially difficult for this segment of the population to afford and maintain a home or qualify for a loan.

Competition in the Non-MSA AA is strong due to the presence of many regional and community banks. Competitors with significant deposit market share include First Financial Bank, Fifth Third Bank, N.A., and the Napoleon State Bank. As of the June 30, 2020 FDIC’s Deposit Market Share Report, there were 16 financial institutions operating 38 banking offices in the Non-MSA AA, including FCN. Approximately 20 percent of FCN’s total deposits at June 30, 2020, were in the Non-MSA AA. The June 30, 2020 FDIC deposit market share data shows FCN’s \$112.6 million in total deposits in this AA ranks sixth in overall deposit market share at 5.6 percent.

As stated above, home mortgage lending is a primary business focus for the bank. FCN ranks fourth out of 170 lenders in the AA in residential home mortgage volume based on the 2019 Peer Mortgage Data and 2015 ACS U.S. Census Data. FCN had a 4 percent lending market share as of the 2019 Peer Mortgage Data Report. Top mortgage lenders in the AA include First Financial Bank, Fifth Third Bank, N.A, and Quicken Loans. As of the 2018 Peer Mortgage Data Report, FCN was ranked second with a market share of 6.3 percent. During the evaluation period, 37.4 percent of the bank's home mortgage loan originations and purchases inside the AA were in the Non-MSA AA.

Business lending (small loans to businesses) is also a primary business focus. According to the 2019 Peer Small Business Data, ten banks dominate the small business lending market share in the AA, accounting for about 77 percent of the number of small loans originated, with three banks responsible for 41 percent of the number of small business loans made in the AA. As stated above, the bank is not a CRA loan data reporter; therefore, the bank's data is not included in the Peer Small Business Data Report. According to the D&B Data as of June 2020, the AA has 4,961 non-farm businesses. The total number of non-farm businesses with gross revenues of \$1 million or less is 3,991, representing 80.4 percent of all non-farm businesses. Additionally, 66.2 percent of the businesses have fewer than five employees, 2.2 percent of the businesses are headquartered in the bank's AA, and 86.2 percent operate from a single location.

Overall, the economic conditions in the Non-MSA AA are stable. As stated above, the country's economy suffered from a global pandemic (COVID-19) in 2020 and many people temporarily lost their jobs as a result. However, Indiana's economy is pushing forward and getting stronger. The unemployment rates (not seasonally adjusted) as of December 2020 were overall higher than December 2019 for the counties in the AA. The December 2020 unemployment rates for each county in the AA were lower than the state and national rates, except for Fayette County. Fayette County has historically had higher unemployment rates than the other counties in the AA and the state and national rates.

<b>Unemployment Rates as of December 30 of each year (not seasonally adjusted)</b>			
	<b>2018</b>	<b>2019</b>	<b>2020</b>
Decatur County, IN	3.1	2.7	3.3
Fayette County, IN	4.7	4.7	5.6
Franklin County, IN	3.8	3.0	3.1
Ripley County, IN	3.5	2.9	3.1
Rush County, IN	3.0	2.3	3.3
State of Indiana	3.4	3.0	4.0
United States	3.7	3.4	6.5

*Source: Ohio Department of Job and Family Services/Office of Workforce Development/Bureau of Labor Market Information and Indiana Department of Workforce Development (DWD), Local Area Unemployment Statistics.*

The Non-MSA AA has a diverse mix of industries, including manufacturing, education and health services, retail trade, and state/local government. Primary employers in Decatur County, Indiana include Delta Faucet Co., Honda Manufacturing of Indiana, and Valeo Engine Cooling Inc. Major employers in Fayette County, Indiana include Stant Corporation, Walmart Supercenter, and Issues & Answers Network Inc. Primary employers in Franklin County, Indiana include Hillenbrand Inc., Margaret Mary Health, and Batesville Tool & Die Inc. Major employers in Ripley County, Indiana include government offices, Occasions Group, and Blue Flame Gas. Major employers in Rush County, Indiana include Rush Memorial Hospital, Emerson Climate Technologies, and INTAT Precision Inc.

As part of this CRA evaluation, the OCC reviewed information provided from interviews with representatives from affordable housing or other non-profit organizations. The contacts identified affordable housing as a need in the community, including assistance to Habitat for Humanity. Additionally, one contact stated a need for assistance with the local food banks. In general, local financial institutions are adequately meeting the credit and CD needs of the community.

## **Scope of Evaluation in Indiana**

The OCC performed a full-scope review of the Non-MSA AA. The data in the AA was analyzed and presented as one AA for purposes of this evaluation. Home mortgage and business loans are the bank's primary lending products and were evaluated under the Lending Test. The OCC transaction tested 60 business loans that were originated or purchased inside the AA for the geographic distribution and borrower income analysis. The OCC used HMDA data for 2018, 2019, and 2020 for the home mortgage analysis. The OCC reviewed CD loans, investments, and services in the AA during the evaluation period. Refer to the "Scope of the Evaluation" section for more details.

Of the home mortgage loans originated or purchased inside the AAs, approximately 37.4 percent were in the Non-MSA AA. According to the FDIC's Deposit Market Share Report as of June 30, 2020, only 20 percent of the bank's deposits are in the Non-MSA AA. As stated under the "Scope of the Evaluation in the Cincinnati MMSA" section, the OCC placed equal weight on the two primary products. Due to the changes in the AAs resulting from Franklin County, Indiana, moving from the Non-MSA AA in 2018 to the Cincinnati MMSA AA in 2019 – 2020, the OCC placed more weight on the AAs in 2019 and 2020. Additionally, the OCC placed more weight on the Cincinnati MMSA given that 62.6 percent of the home mortgage loans and 80 percent of the total deposits are inside the Cincinnati MMSA AA.

For CD, the OCC placed more weight on the bank's CD lending, as the bank was particularly responsive to the SBA's PPP loans in 2020. Refer to the "Number and Amount of Community Development Loans" under the "Community Development Test" for more information.

## **CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN INDIANA**

### **LENDING TEST**

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

### **Conclusions for Area Receiving a Full-Scope Review**

Based on a full-scope review, the bank's lending performance in the state of Indiana is reasonable.

### **Distribution of Loans by Income Level of the Geography**

The bank exhibits reasonable geographic distribution of loans in the state.

#### ***Home Mortgage Loans***

Refer to Table O in the state of Indiana section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations and purchases.

The OCC compared the percentage of home mortgage loans originated or purchased by the bank to the percentage of owner-occupied housing units (demographic data) in the four geographic income categories, placing emphasis on the LMI geographies. The OCC also compared the bank's performance against the percentage of home mortgage loans of other mortgage lenders (aggregate data) in the AA, as demonstrated by HMDA aggregate data.

The bank exhibits overall poor geographic distribution of home mortgage loans in the Non-MSA AA. In the Non-MSA AA, FCN does not have any branches in LMI CTs.

In 2019 – 2020, FCN originated 281 home mortgage loans in the Non-MSA AA. There were no low-income CTs. The bank's percentage of lending in moderate-income geographies was significantly below both demographic and aggregate lending data, demonstrating overall poor performance.

In 2018, the bank originated 162 home mortgage loans in the Non-MSA AA. The percentage of home mortgage loans originated by the bank in moderate-income CTs was below both demographic and aggregate lending data of other HMDA reports. There were no low-income CTs.

In the lending analysis, the OCC also considered several performance context factors. As of the 2015 ACS U.S. Census data, the average age of housing stock in 2018 was approximately 51 years and 53 years for 2019 – 2020. The maintenance costs associated with older housing stock is a significant obstacle to homeownership, which could result in a reduction of mortgage loan demand. Competition in the Non-MSA AA is strong, with many financial institutions competing for the same loans and some lenders offering first-time homebuyer loan products and services to attract such loans.

### ***Small Loans to Businesses***

Refer to Table Q in the state of Indiana section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's originations and purchases of small loans to businesses.

The OCC compared the percentage of the number of small loans to businesses originated or purchased by the bank in the four geographic income categories to the distribution of businesses throughout those geographies (demographic data), placing emphasis on the LMI geographies. The OCC also compared the bank's performance against the percentage of small loans to businesses of other lenders (aggregate data), as demonstrated by CRA aggregate data.

FCN exhibits an overall reasonable geographic distribution of small loans to businesses in the Non-MSA AA.

In 2019 – 2020, the percentage of small loans to businesses originated or purchased by the bank in the moderate-income CTs was below both the demographic comparator and CRA aggregate lending data of other lenders but is overall reasonable. There were no low-income CTs in the AA during this review period.

In 2018, FCN's percentage of small loans to businesses originated or purchased by the bank in the moderate-income CTs significantly exceeded demographic data and aggregate lending data. There were no low-income CTs in the MMSA AA.



### ***Lending Gap Analysis***

Overall, the OCC did not identify any unexplained, conspicuous gaps in the lending distribution. The OCC reviewed internal bank reports and maps to identify potential significant gaps in the distribution of loans over the evaluation period.

### **Distribution of Loans by Income Level of the Borrower**

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

### ***Home Mortgage Loans***

Refer to Table P in the state of Indiana section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

The OCC compared the percentage of home mortgage loans originated or purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage distribution of families by income level (demographic data), placing emphasis on lending to LMI families. The OCC also compared the bank's performance against home mortgage loans of other home mortgage lenders (aggregate data), as demonstrated by HMDA aggregate data.

FCN's overall distribution of home mortgage loans by borrower income level reflects reasonable distribution.

In 2019 and 2020, the bank's level of home mortgage lending to low-income borrowers is near aggregate data but below demographic. FCN's level of home mortgage lending to moderate-income borrowers is near demographic data but below aggregate data.

In 2018, the bank's level of home mortgage lending to low-income borrowers is below both aggregate and demographic data. FCN's level of home mortgage lending to moderate-income borrowers exceeds both demographic and aggregate data.

The OCC considered other factors in the bank's performance during the review, including the cost of homeownership in the AA as an obstacle to homeownership to LMI borrowers. As stated above, the overall median housing values are 2.5 to 4.0 times the weighted average of median family income of LMI families in the AA in 2019 and 2020 and 2.7 to 4.3 times the weighted average in 2018. This obstacle may result in fewer opportunities to originate mortgage loans to LMI families. Additionally, 11.3 percent of the families live below poverty in 2019 – 2020 and 10.4 percent in 2018.

Competition in the AA is strong. As stated above, FCN ranks fourth out of 170 lenders in home mortgage lending market share at 4 percent, as of the 2019 Peer Mortgage Data, behind three larger financial institutions. The top three mortgage lenders in this AA account for about 27 percent of the home mortgage loan originations.

### ***Small Loans to Businesses***

Refer to Table R in the state of Indiana section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's originations and purchases of small loans to businesses.

The OCC compared the percentage distribution of the number of small loans to businesses originated and purchased by the bank (by annual gross revenue level) to businesses with annual gross revenues of \$1 million or less. The OCC also compared the bank's performance to aggregate small business data, as demonstrated by CRA aggregate data.

FCN exhibits excellent distribution of small loans to businesses of different sizes within the AA.

As evidenced in Table R in Appendix D for 2019 and 2020, the bank's percentage of small loans to businesses with annual gross revenues of \$1 million or less significantly exceeds CRA aggregate lending data, but is below the percentage of businesses with annual gross revenues of \$1 million or less (demographic data). In the lending analysis, the OCC considered performance context factors, including strong competition in the AA. Additionally, four larger financial institutions account for about 50 percent of the small business lending market share in the Non-MSA AA, as of the 2019 Peer Small Business Data Report.

As of 2018, the bank's percentage of small loans to businesses with annual gross revenues of \$1 million or less significantly exceeds CRA aggregate lending data but is below the percentage of businesses with annual gross revenues of \$1 million or less (demographic data). In the lending analysis, the OCC considered performance context factors, including strong competition in the AA. Additionally, four larger financial institutions account for about 46 percent of the small business lending market share in the Non-MSA AA, as of the 2018 Peer Small Business Data Report.

### **Responses to Complaints**

The bank has not received any complaints about its CRA performance in helping to meet the AA's credit needs during the evaluation period.

## **COMMUNITY DEVELOPMENT TEST**

The bank's performance under the Community Development Test in the state of Indiana is rated Outstanding.

### **Conclusions for Area Receiving a Full-Scope Review**

Based on a full-scope review, the bank exhibits excellent responsiveness to CD needs in the state through CD loans, qualified investments, and CD services, as appropriate, considering the bank's capacity and the need and availability of such opportunities for CD in the bank's AA.

FCN was particularly responsive to the current COVID-19 pandemic, and its level of CD loans were highly impactful. The OCC placed more weight on CD lending, given the bank's excellent responsiveness to the COVID-19 crisis and volume of CD loans made in response to the COVID-19 pandemic.

### **Number and Amount of Community Development Loans**

The CD Loans Table, shown below, sets forth the information and data used to evaluate the bank's level of CD lending. The table includes all CD loans, including multifamily loans that also qualify as CD loans.

Community Development Loans				
Assessment Area	Total			
	#	% of Total #	\$(000's)	% of Total \$
Non-MSA AA	125	98.4	\$11,159	98.7
Statewide/Regional Loans with Direct Benefit	2	1.6	\$145	1.3

FCN's CD lending reflects excellent responsiveness to the CD needs in the Non-MSA AA. FCN originated 125 qualified CD loans inside the Non-MSA AA and two CD loans in the broader statewide or regional area, totaling \$11.3 million, which equates to 88.4 percent of allocated tier 1 capital as of June 30, 2020.

FCN originated or renewed nine loans totaling \$1.0 million to borrowers that provide affordable housing and community services to LMI individuals. For example, FCN granted one loan totaling \$372,699 to borrowers that provide affordable housing in the Sunman, Indiana area and five loans totaling \$185,100 to borrowers that provide essential services in LMI CTs, including healthcare, meal deliveries, and transportation services.

FCN originated 116 SBA PPP loans totaling \$10.1 million to borrowers to help stabilize and revitalize local communities and to help businesses keep their workforces employed. Of the 116 loans, 14 loans totaling \$517,404 were originated in moderate-income CTs, which represents 12 percent and 5 percent of the totals in this AA, respectively. Given the current COVID-19 crisis, the PPP loans are innovative, flexible loan products, and the bank was particularly responsive to the community's needs.

#### Statewide/Regional Loans

FCN is responsive to the CD needs and opportunities in its AA; therefore, the OCC also considered CD lending in the broader regional area that provided direct benefit to the bank's delineated AA. The bank originated two SBA PPP loans in the broader regional area in Indiana totaling \$144,986. These loans were originated in Rush and Decatur counties, just outside the bank's Non-MSA AA.

#### **Number and Amount of Qualified Investments**

Qualified Investments										
Assessment Area	Prior Period*		Current Period		Total				Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	% of Total #	\$(000's)	% of Total \$	#	\$(000's)
Non-MSA AA	1	\$15	13	\$10	14	87.5	\$25	2.6	0	\$0
Statewide/Regional Investments with Indirect Benefit	0	\$0	2	\$936	2	12.5	\$936	97.4	0	\$0

\* Prior Period Investments' means investments made in a previous evaluation period that are outstanding as of the examination date.

\*\* Unfunded Commitments' means legally binding investment commitments that are tracked and recorded by the institution's financial reporting system.

FCN's qualified investment activity represents adequate responsiveness. FCN originated 14 qualified CD investments and donations inside the Non-MSA AA and two CD investments in the broader statewide or regional area, totaling \$961,328 which equates to 7.5 percent of allocated tier 1 capital based on total deposits in the AA as of June 30, 2020.

FCN purchased one qualified CRA investment in 2012 with a book value of \$500,000. As of December 31, 2020, the remaining book value is \$15,082. The bond funds the Great Lakes Capital Fund of Indiana, which is a non-profit community development finance organization that supports affordable housing needs. Primarily, the organization provides low-income housing tax credit investing in the state of Indiana, which includes the bank's AA.

During the evaluation period, FCN made 13 qualifying donations totaling \$10,550 to 8 different organizations in the Non-MSA AA. The organizations provide services to LMI individuals, including donations to organizations to support COVID-19 relief, schools with more than 50 percent of their student population qualifying for free and reduced lunch, and community foundations that provide scholarships, grants, and promote economic development.

#### Statewide/Regional Investments

FCN is responsive to the CD needs and opportunities in its AA; therefore, the OCC also considered CD investments in the broader regional area that provided indirect benefit to the bank's delineated AA. FCN made two qualified investments outside the Non-MSA AA within the state of Indiana. Both investments were school district revenue bonds within qualifying districts based on the free and reduced school lunch program eligibility.

#### **Extent to Which the Bank Provides Community Development Services**

FCN provided an excellent level of CD services during the review period and had a positive impact on AAs' needs. During the evaluation period, the bank had 15 employees provide CD services to 18 different organizations in the AAs, totaling over 766 hours during the review period. Twelve of these employees provided CD qualified services in both the State of Indiana and the MMSA rating areas. Of note, many of these services were performed in Franklin County, which was only in the Non-MSA AA for one year (2018) of the evaluation period. The OCC noted that multiple employees serve as either a board member, treasurer, or executive committee member of CD organizations, demonstrating a high level of involvement and leadership.

Bank personnel provide technical and financial expertise in the Non-MSA AA within the state of Indiana. During the CD evaluation period, multiple bank officers and/or employees provided CD qualifying services to various community organizations. These organizations provide essential services to LMI individuals as well as services to organizations dedicated to promoting economic development and stabilization. For example, a bank employee works with the Fayette County Community Foundation as a board member, which establishes endowments, grants, provides educational scholarships, and connects donors and non-profit agencies to improve the quality of life in Fayette County.

## Appendix A: Scope of Examination

The following table identifies the time period covered in this evaluation, affiliate activities that were reviewed, and loan products considered. The table also reflects the MSA(s) and non-MSA(s) that received comprehensive examination review, designated by the term “full-scope,” and those that received a less comprehensive review, designated by the term “limited-scope”.

<b>Time Period Reviewed:</b>	1/1/2018 – 12/31/2020	
<b>Bank Products Reviewed:</b>	Home mortgage and small business loans CD loans, qualified investments, and CD services	
<b>Affiliate(s)</b>	<b>Affiliate Relationship</b>	<b>Products Reviewed</b>
None		
<b>List of Assessment Areas and Type of Examination</b>		
<b>Rating and Assessment Areas</b>	<b>Type of Exam</b>	<b>Other Information</b>
<b>MMSA</b>		
Cincinnati MMSA AA	Full-Scope	2018 - The AA included all of Dearborn and Union counties in Indiana and portions of Hamilton and Butler counties in Ohio.  2019 – 2020 – The AA included all of Dearborn, Franklin, and Union counties in Indiana and portions of Hamilton and Butler counties in Ohio.  The OCC completed a separate analysis for 2018 and 2019 – 2020 due Franklin County, Indiana moving from the Non-MSA to the MMSA.
<b>State - Indiana</b>		
Non-MSA AA	Full-Scope	2018 - The AA included all of Franklin and Fayette counties and portions of Decatur, Ripley, and Rush counties in Indiana.  2019 – 2020 – The AA included Fayette County in its entirety and portions of Decatur, Ripley, and Rush counties in Indiana.  The OCC completed a separate analysis for 2018 and 2019 – 2020 due Franklin County, Indiana moving from the Non-MSA to the MMSA.

## Appendix B: Summary of MMSA and State Ratings

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RATINGS: FCN Bank, National Association			
Overall Bank:	Lending Test Rating*	CD Test Rating	Overall Bank/State/Multistate Rating
FCN Bank, National Association	Outstanding	Outstanding	Outstanding
MMSA:			
Cincinnati, OH-KY-IN MMSA 17140	Outstanding	Outstanding	Outstanding
State:			
Indiana	Satisfactory	Outstanding	Satisfactory

(\*) The Lending Test and Community Development Test carry equal weight in the overall rating.

## Appendix C: Definitions and Common Abbreviations

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

**Median Family Income (MFI):** The median income determined by the U.S. Census Bureau every five years and used to determine the income level category of geographies. The median is the point at which half of the families have income above, and half below, a range of incomes. Also, the median income determined by the Federal Financial Institutions Examination Council (FFIEC) annually that is used to determine the income level category of individuals. For any given area, the median is the point at which half of the families have income above, and half below, a range of incomes.



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

**Metropolitan Statistical Area (MSA):** An area, defined by the Office of Management and Budget, as a core based statistical area associated with at least one urbanized area that has a population of at least 50,000. The Metropolitan Statistical Area comprises the central county or counties containing the core, plus adjacent outlying counties having a high degree of social and economic integration with the central county or counties as measured through commuting.

**Middle-Income:** Individual income that is at least 80 percent and less than 120 percent of the area median income, or a median family income that is at least 80 percent and less than 120 percent, in the case of a geography

**Moderate-Income:** Individual income that is at least 50 percent and less than 80 percent of the area median income, or a median family income that is at least 50 percent and less than 80 percent, in the case of a geography.

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

**Owner-Occupied Units:** Includes units occupied by the owner or co-owner, even if the unit has not been fully paid for or is mortgaged.

**Qualified Investment:** A qualified investment is defined as any lawful investment, deposit, membership share, or grant that has as its primary purpose community development.

**Rating Area:** A rated area is a state or multi-state metropolitan statistical area. For an institution with domestic branches in only one state, the institution's CRA rating would be the state rating. If an institution maintains domestic branches in more than one state, the institution will receive a rating for each state in which those branches are located. If an institution maintains domestic branches in two or more states within a multi-state metropolitan statistical area, the institution will receive a rating for the multi-state metropolitan statistical area.

**Small Loan(s) to Business(es):** A loan included in 'loans to small businesses' as defined in the Consolidated Report of Condition and Income (Call Report) instructions. These loans have original amounts of \$1 million or less and typically are either secured by nonfarm or nonresidential real estate or are classified as commercial and industrial loans.

**Small Loan(s) to Farm(s):** A loan included in 'loans to small farms' as defined in the instructions for preparation of the Consolidated Report of Condition and Income (Call Report). These loans have original amounts of \$500,000 or less and are either secured by farmland or are classified as loans to finance agricultural production and other loans to farmers.

**Tier 1 Capital:** The total of common shareholders' equity, perpetual preferred shareholders' equity with non-cumulative dividends, retained earnings and minority interests in the equity accounts of consolidated subsidiaries.

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

## Appendix D: Tables of Performance Data

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### Content of Standardized Tables

A separate set of tables is provided for each state. All multistate metropolitan statistical areas, if applicable, are presented in one set of tables. References to the “bank” include activities of any affiliates that the bank provided for consideration (refer to appendix A: Scope of the Examination). For purposes of reviewing the Lending Test tables, the following are applicable: (1) purchased are treated as originations; and (2) “aggregate” is the percentage of the aggregate number of reportable loans originated and purchased by all HMDA or CRA-reporting lenders in the MMSA/assessment area. Deposit data are compiled by the FDIC and are available as of June 30<sup>th</sup> of each year. Tables without data are not included in this PE.

The following is a listing and brief description of the tables included in each set:

- Table O. Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography** - Compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of owner-occupied housing units throughout those geographies. The table also presents aggregate peer data for the years the data is available.
- Table P. Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower** - Compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage distribution of families by income level in each MMSA/assessment area. The table also presents aggregate peer data for the years the data is available.
- Table Q. Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography** - The percentage distribution of the number of small loans (less than or equal to \$1 million) to businesses that were originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of businesses (regardless of revenue size) in those geographies. Because aggregate small business data are not available for geographic areas smaller than counties, it may be necessary to compare bank loan data to aggregate data from geographic areas larger than the bank’s assessment area.
- Table R. Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenue** - Compares the percentage distribution of the number of small loans (loans less than or equal to \$1 million) originated and purchased by the bank to businesses with revenues of \$1 million or less to: 1) the percentage distribution of businesses with revenues of greater than \$1 million; and, 2) the percentage distribution of businesses for which revenues are not available. The table also presents aggregate peer small business data for the years the data is available.
- Table S. Assessment Area Distribution of Loans to Farms by Income Category of the Geography** - The percentage distribution of the number of small loans (less than or equal to \$500,000) to farms originated and purchased by the bank in low-, moderate-, middle-,

and upper-income geographies compared to the percentage distribution of farms (regardless of revenue size) throughout those geographies. The table also presents aggregate peer data for the years the data is available. Because aggregate small farm data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank's assessment area.

- Table T. Assessment Area Distribution of Loans to Farms by Gross Annual Revenues -** Compares the percentage distribution of the number of small loans (loans less than or equal to \$500 thousand) originated and purchased by the bank to farms with revenues of \$1 million or less to: 1) the percentage distribution of farms with revenues of greater than \$1 million; and, 2) the percentage distribution of farms for which revenues are not available. The table also presents aggregate peer small farm data for the years the data is available.
- Table U. Assessment Area Distribution of Consumer Loans by Income Category of the Geography -** Compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of households in those geographies.
- Table V. Assessment Area Distribution of Consumer Loans by Income Category of the Borrower -** Compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage distribution of households by income level in each MMSA/assessment area.

MMSA

<b>Table O: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography</b>																				<b>2018</b>
Assessment Area:	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts			
	#	\$	% of Total	Overall Market	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	
Cincinnati MMSA AA	40	5,930	100.0	3,385	1.4	0.0	0.3	6.5	2.5	7.3	81.0	87.5	80.9	10.4	5.0	10.1	0.7	5.0	1.5	

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

<b>Table O: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography</b>																				<b>2019-20</b>
Assessment Area:	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts			
	#	\$	% of Total	Overall Market	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	
Cincinnati MMSA AA	700	112,460	100.0	4,562	0.0	0.0	0.0	11.1	13.9	9.9	80.0	82.7	80.1	8.4	1.7	8.7	0.5	1.7	1.3	

*Source: 2015 ACS Census; 01/01/2019 - 12/31/2020 Bank Data, 2019 HMDA Aggregate Data.  
Due to rounding, totals may not equal 100.0%.*

<b>Table P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower</b>																			<b>2018</b>
	<b>Total Home Mortgage Loans</b>				<b>Low-Income Borrowers</b>			<b>Moderate-Income Borrowers</b>			<b>Middle-Income Borrowers</b>			<b>Upper-Income Borrowers</b>			<b>Not Available-Income Borrowers</b>		
<b>Assessment Area:</b>	<b>#</b>	<b>\$</b>	<b>% of Total</b>	<b>Overall Market</b>	<b>% Families</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	<b>% Families</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	<b>% Families</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	<b>% Families</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	<b>% Families</b>	<b>% Bank Loans</b>	<b>Aggregate</b>
Cincinnati MMSA AA	40	5,930	100.0	3,385	18.8	10.0	10.7	17.9	17.5	20.7	23.2	30.0	24.3	40.1	35.0	30.6	0.0	7.5	13.7
<i>Source: 2015 ACS Census; 01/01/2018 - 12/31/2018 Bank Data, 2018 HMDA Aggregate Data.                      Due to rounding, totals may not equal 100.0%.</i>																			

<b>Table P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower</b>																			<b>2019-20</b>
	<b>Total Home Mortgage Loans</b>				<b>Low-Income Borrowers</b>			<b>Moderate-Income Borrowers</b>			<b>Middle-Income Borrowers</b>			<b>Upper-Income Borrowers</b>			<b>Not Available-Income Borrowers</b>		
<b>Assessment Area:</b>	<b>#</b>	<b>\$</b>	<b>% of Total</b>	<b>Overall Market</b>	<b>% Families</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	<b>% Families</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	<b>% Families</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	<b>% Families</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	<b>% Families</b>	<b>% Bank Loans</b>	<b>Aggregate</b>
Cincinnati MMSA AA	700	112,460	100.0	4,562	18.2	9.6	8.0	18.1	21.9	21.2	22.8	27.3	24.7	40.9	34.7	32.1	0.0	6.6	14.0
<i>Source: 2015 ACS Census; 01/01/2019 - 12/31/2020 Bank Data, 2019 HMDA Aggregate Data.                      Due to rounding, totals may not equal 100.0%.</i>																			

<b>Table Q: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography</b>																			<b>2018</b>	
Assessment Area:	Total Loans to Small Businesses				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts			
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	
Cincinnati MMSA AA	20	3,292	100.0	1,638	2.5	5.0	7.3	16.0	5.0	13.3	67.7	80.0	67.6	8.2	10.0	7.3	5.5	0.0	4.5	
<i>Source: 2018 D&amp;B Data; 01/01/2018 - 12/31/2018 Bank Data; 2018 CRA Aggregate Data.                      Due to rounding, totals may not equal 100.0%.</i>																				

<b>Table Q: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography</b>																			<b>2019-20</b>	
Assessment Area:	Total Loans to Small Businesses				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts			
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	
Cincinnati MMSA AA	40	4,635	100.0	1,884	0.0	0.0	0.0	21.2	42.5	19.1	67.8	57.5	71.0	6.3	0.0	6.8	4.7	0.0	3.1	
<i>Source: 2020 D&amp;B Data; 01/01/2019 - 12/31/2020 Bank Data; 2019 CRA Aggregate Data.                      Due to rounding, totals may not equal 100.0%.</i>																				

<b>Table R: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues</b>											<b>2018</b>	
Assessment Area:	Total Loans to Small Businesses				Businesses with Revenues <= 1MM			Businesses with Revenues > 1MM		Businesses with Revenues Not Available		
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans	
Cincinnati MMSA AA	20	3,292	100.0	1,638	82.0	70.0	48.0	6.1	30.0	11.9	0.0	
<i>Source: 2018 D&amp;B Data; 01/01/2018 - 12/31/2018 Bank Data; 2018 CRA Aggregate Data.                      Due to rounding, totals may not equal 100.0%.</i>												

<b>Table R: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues</b>											<b>2019-20</b>	
Assessment Area:	Total Loans to Small Businesses				Businesses with Revenues <= 1MM			Businesses with Revenues > 1MM		Businesses with Revenues Not Available		
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans	
Cincinnati MMSA AA	40	4,635	100.0	1,884	84.7	75.0	47.1	5.0	22.5	10.3	2.5	
<i>Source: 2020 D&amp;B Data; 01/01/2019 - 12/31/2020 Bank Data; 2019 CRA Aggregate Data.                      Due to rounding, totals may not equal 100.0%.</i>												



State of Indiana

Table O: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography																			2018
Assessment Area:	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$	% of Total	Overall Market	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate
Non-MSA AA	162	19,986	100.0	2,589	0.0	0.0	0.0	18.4	13.0	20.1	50.3	50.0	45.9	31.3	37.0	34.0	0.0	0.0	0.0
<i>Source: 2015 ACS Census; 01/01/2018 - 12/31/2018 Bank Data, 2018 HMDA Aggregate Data.                      Due to rounding, totals may not equal 100.0%.</i>																			

Table O: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography																			2019-20
Assessment Area:	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$	% of Total	Overall Market	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate
Non-MSA AA	281	42,950	100.0	2,218	0.0	0.0	0.0	19.4	7.5	23.2	45.9	33.8	40.4	34.7	58.7	36.4	0.0	0.0	0.0
<i>Source: 2015 ACS Census; 01/01/2019 - 12/31/2020 Bank Data, 2019 HMDA Aggregate Data.                      Due to rounding, totals may not equal 100.0%.</i>																			

<b>Table P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower</b>																			<b>2018</b>
	Total Home Mortgage Loans				Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers		
Assessment Area:	#	\$	% of Total	Overall Market	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate
Non-MSA AA	162	19,986	100.0	2,589	18.5	6.2	8.7	19.2	25.9	24.3	21.1	19.8	22.8	41.2	40.1	32.1	0.0	8.0	12.1
<i>Source: 2015 ACS Census; 01/01/2018 - 12/31/2018 Bank Data, 2018 HMDA Aggregate Data.                      Due to rounding, totals may not equal 100.0%.</i>																			

<b>Table P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower</b>																			<b>2019-20</b>
	Total Home Mortgage Loans				Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers		
Assessment Area:	#	\$	% of Total	Overall Market	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate
Non-MSA AA	281	42,950	100.0	2,218	19.4	8.9	9.1	19.3	18.1	24.4	21.0	21.7	20.9	40.3	47.7	31.9	0.0	3.6	13.8
<i>Source: 2015 ACS Census; 01/01/2019 - 12/31/2020 Bank Data, 2019 HMDA Aggregate Data.                      Due to rounding, totals may not equal 100.0%.</i>																			

<b>Table Q: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography</b>																			<b>2018</b>	
Assessment Area:	Total Loans to Small Businesses				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts			
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	
Non-MSA AA	20	2,045	100.0	1,065	0.0	0.0	0.0	21.5	30.0	18.1	42.6	30.0	40.8	35.9	40.0	41.0	0.0	0.0	0.0	
<i>Source: 2018 D&amp;B Data; 01/01/2018 - 12/31/2018 Bank Data; 2018 CRA Aggregate Data.                      Due to rounding, totals may not equal 100.0%.</i>																				

<b>Table Q: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography</b>																			<b>2019-20</b>	
Assessment Area:	Total Loans to Small Businesses				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts			
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	
Non-MSA AA	40	5,087	100.0	780	0.0	0.0	0.0	23.7	17.5	19.4	36.1	37.5	32.9	40.2	45.0	47.7	0.0	0.0	0.0	
<i>Source: 2020 D&amp;B Data; 01/01/2019 - 12/31/2020 Bank Data; 2019 CRA Aggregate Data.                      Due to rounding, totals may not equal 100.0%.</i>																				

<b>Table R: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues</b>											<b>2018</b>	
Assessment Area:	Total Loans to Small Businesses				Businesses with Revenues <= 1MM			Businesses with Revenues > 1MM		Businesses with Revenues Not Available		
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans	
Non-MSA AA	20	2,045	100.0	1,065	78.5	70.0	47.6	5.9	15.0	15.6	15.0	
<i>Source: 2018 D&amp;B Data; 01/01/2018 - 12/31/2018 Bank Data; 2018 CRA Aggregate Data.                      Due to rounding, totals may not equal 100.0%.</i>												

<b>Table R: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues</b>											<b>2019-20</b>	
Assessment Area:	Total Loans to Small Businesses				Businesses with Revenues <= 1MM			Businesses with Revenues > 1MM		Businesses with Revenues Not Available		
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans	
Non-MSA AA	40	5,087	100.0	780	80.4	67.5	47.9	5.2	27.5	14.4	5.0	
<i>Source: 2020 D&amp;B Data; 01/01/2019 - 12/31/2020 Bank Data; 2019 CRA Aggregate Data.                      Due to rounding, totals may not equal 100.0%.</i>												