



## **PUBLIC DISCLOSURE**

July 13, 2015

## **COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION**

Bank of Bridger, National Association  
Charter Number 10844

101 S. Main Street Bridger, MT 59014

Office of the Comptroller of the Currency

101 Stewart Street, Suite 1010, Seattle, WA 98101

**NOTE:** This document is an evaluation of this institution's record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods consistent with safe and sound operation of the institution. This evaluation is not, nor should it be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion, or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.

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## **INSTITUTION'S CRA RATING: This institution is rated Satisfactory.**

**The Lending Test is rated: Outstanding**

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

- Bank of Bridger's loan to deposit ratio is reasonable given the Bank's size, financial condition, and the credit needs of the Bank's assessment areas (AAs).
- A substantial majority of the Bank's loans were originated within its designated AAs.
- The distribution of loans to businesses and farms of different sizes is excellent overall.
- The geographic distribution of loans reflects overall excellent dispersion throughout census tracts in the Bank's AAs.
- Bank of Bridger demonstrated adequate responsiveness to community development needs.

## **Scope of Examination**

We evaluated Bank of Bridger, National Association (BBNA) under the Intermediate Small Bank Procedures, which assess the Bank's CRA performance under both a lending test and a community development (CD) test. The lending test evaluates BBNA's record of meeting the credit needs of its AAs through its lending activities. Our assessment included an evaluation of the Bank's business and farm originations. Business and farm loans are BBNA's primary loan products, representing 68.2 percent of loan originations during the evaluation period and approximately 66.8 percent of gross loans and leases as of March 31, 2015. Business loans include loans for commercial real estate as well as commercial and industrial loans. Farm loans include farmland, livestock, and crop production loans. Through the CD test, we evaluated the Bank's responsiveness to the CD needs of the AAs through its qualifying lending, investment, and service activities.

The current evaluation period is June 26, 2012 through July 13, 2015. This represents the period since the prior CRA Performance Evaluation. For most elements of the lending test, we reviewed BBNA's lending performance for calendar years 2013, 2014 and the first half of 2015 (loan review period), unless otherwise indicated. For our CD review, we considered all qualified CD loans, investments and services during the evaluation period. In order to evaluate the Bank's record of originating its primary loan products, we analyzed loan data collected during our examination. We tested a sample of BBNA's loans to obtain sufficient loan data to evaluate the Bank's lending performance.

## Description of Institution

Bank of Bridger is a \$379 million federally chartered Bank headquartered in Bridger, Montana. The institution's primary owner is Bridger Company, a Bank holding company also based in Bridger. The Bank operates the main banking location in Bridger, and eight branches. The Montana branches are located in Butte, Bridger, Harlem, Joliet, and Red Lodge. The Wyoming branches are located in Lovell, Greybull, Powell, and Thermopolis. The Bank did not open or close any branches during our evaluation period. The hours of operation as well as products and services offered at the branches are similar.

All BBNA locations have 24-hour Automated Teller Machines (ATMs), including one deposit-taking ATM in Powell, WY. During the evaluation period, the Bank operated a total of 11 ATMs in the state of Montana and 10 ATMs in the state of Wyoming. In addition, the Bank has an agreement with an entity allowing them to provide BBNA customers ATM use in K-Marts throughout Montana and Wyoming, with no surcharge. Bank customers can also use the ATM located at Town Pump free of charge, which is located in Red Lodge, MT. In 2015, BBNA closed three ATM locations in Red Lodge and Joliet, MT, and Lovell, WY for legitimate business reasons.

BBNA offers traditional community bank products and services. As of March 31, 2015, net loans represented 50.8 percent of total deposits, and 45.6 percent of total assets. Tier one capital totaled \$33.4 million. The following table reflects details about the Bank's loan portfolio at March 31, 2015.

Loan Portfolio Composition as of March 31, 2015 (000s)			
Loan Type	\$ Amount	% of Total Assets	% of Portfolio
Commercial Real Estate	40,753	10.74	23.09
Farmland	36,177	9.54	20.50
1-4 Family Residential/HELOCs	33,184	8.75	18.80
Commercial and Industrial	21,981	5.79	12.46
Agricultural Production	19,011	5.01	10.77
Individual	12,410	3.27	7.03
Construction and Development	8,600	2.27	4.87
Other Loans	4,354	1.15	2.47
<b>Total Gross Loans</b>	<b>176,470</b>	<b>46.52</b>	<b>100.00</b>

The Bank's core business strategy focuses on traditional community banking, with an agrarian emphasis that reflects the rural nature of the communities it serves. We selected business and farm loans as BBNA's primary loan products. From January 1, 2013 through June 30, 2015, business loan originations/purchases totaled 35.9 percent of the total dollar amount of loans made, while farm loan originations/purchases totaled 32.3 percent of the dollar amount of loans made during the evaluation period. Real estate loans were a secondary product with 19.7 percent of the total dollar amount of loans originated during the period, and consumer loans represented only 12.1 of the total dollar amount of loans originated.

The Bank has the financial capacity to assist in meeting the credit needs of its AAs. There are no legal, financial, or other factors that impede BBNA's CRA efforts. The Bank received a "Satisfactory" rating at the last CRA examination dated June 25, 2012.

Based on FDIC deposit market share data as of June 30, 2014, significant deposit competitors in the AAs include large national and regional banks such as Wells Fargo Bank, N.A., U.S. Bank, and Bank of the West. Other competitors include mid-size and small community banks such as Glacier Bank, First Interstate Bank, Pinnacle Bank and The Yellowstone Bank. Three financial institutions, including BBNA, serve Carbon County in Montana. BBNA had a deposit market share of 53.2 percent and ranked first in this county. Three financial institutions, including BBNA, serve Blaine County, Montana where the city of Harlem is located. In Blaine County, BBNA had a deposit market share of 23.8 percent and ranked second among its peers. Eight financial institutions, including BBNA, serve Silver Bow County in Montana. In Silver Bow County, BBNA had a deposit market share of 2.8 percent, ranking last among its competitors. Nine financial institutions, including BBNA, serve Big Horn, Hot Springs, and Park counties in Wyoming. BBNA had a deposit market share of 14.0 percent and ranked fourth among its competitors in the Wyoming counties referenced.

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

The Bank has four AAs in two states. All AAs were subject to a full-scope review.

## **Ratings**

The bank's overall rating is a blend of the state ratings. Wyoming was given slightly more weight than Montana in our analysis, because the state of Wyoming had a majority of Bank deposits, at 56.6 percent of the total.

## **Conclusions with Respect to Performance Criteria**

### **Loan-to-Deposit Ratio**

BBNA's loan-to-deposit (LTD) ratio is reasonable given the Bank's size, financial condition, and AA credit needs. BBNA's average quarterly LTD ratio is 51.4 percent for all quarters since the prior CRA public evaluation dated June 25, 2012. This includes 12 quarters from June 30, 2012 through March 31, 2015. The LTD ratio demonstrates the Bank's overall lending volume, which we compare to similarly situated institutions in order to determine reasonableness.

The comparative analysis below includes five similarly situated financial institutions operating within the states of Wyoming and/or Montana, with a comparable level of assets and branch locations in comparison to BBNA. We compared BBNA's average quarterly LTD ratio since the prior CRA evaluation with the average LTD ratio of similar institutions for the same period. BBNA ranks fifth out of six institutions. We noted that

those institutions with the most similar profile to BBNA tended to have lower LTD ratios, while banks with more branches in larger communities tended to have higher LTD ratios. In total, these institutions had ratios averaging 65.4 percent, which individually fell within a range of 72.9 percent on the high side and 50.1 percent on the low side. The following table illustrates BBNA's average LTD as compared to similarly situated institutions.

Bank of Bridger		Similar Institutions	
Average LTD Ratio	51.4	Average LTD Ratio	65.4
High LTD Ratio	53.7	High LTD Ratio	72.9
Low LTD Ratio	48.6	Low LTD Ratio	50.1

Source: FDIC Call Report Data

### Lending in Assessment Area

Based on our loan samples, BBNA's lending activity reflects that a substantial majority of the Bank's loans are originated within their AAs. During the loan review period, BBNA originated approximately 84.3 percent by number, and 86.2 percent by dollar volume within its AAs. The following table illustrates the Bank's lending volume inside and outside its AAs based on loan types reviewed.

Table 1 - Lending in the Combined Assessment Areas										
Type of Loan	Number of Loans					Dollars of Loans (000's)				
	Inside		Outside		Total	Inside		Outside		Total
	#	%	#	%		\$	%	\$	%	
Agricultural Loans	54	90.00%	6	10.00%	60	\$3,633	84.23%	\$680	15.77%	\$4,313
Commercial Loans	64	80.00%	16	20.00%	80	\$6,724	87.30%	\$978	12.70%	\$7,702
Totals	118	84.29%	22	15.71%	140	\$10,357	86.20%	\$1,658	13.80%	\$12,015

### Fair Lending or Other Illegal Credit Practices Review

Pursuant to 12 C.F.R. 25.28(c), or 12 C.F.R. 195.28(c), in determining a national bank's (bank) or Federal savings association's (FSA) CRA rating, respectively, the OCC considers evidence of discriminatory or other illegal credit practices in any geography by the bank or FSA, or in any assessment area by an affiliate whose loans have been considered as part of the bank's or FSA's lending performance.

We found no evidence of discriminatory or other illegal credit practices inconsistent with helping to meet community credit needs.

## State Rating

### State of Montana

#### **CRA Rating for Montana: Satisfactory**

**The Lending Test is rated: Outstanding**

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

The following major factors support the rating:

- Lending activities represent excellent penetration among businesses and farms of different sizes.
- The geographic distribution of business and farm loans reflects excellent dispersion overall.
- The Bank's community development (CD) performance demonstrates adequate responsiveness to the CD needs of the AAs through qualified CD loans, investments, and services.

### **DESCRIPTION OF INSTITUTION'S OPERATIONS IN MONTANA**

BBNA operates five branches located in three non-contiguous counties within Montana. The Bank's Montana branches are located in Bridger, Butte, Harlem, Joliet, and Red Lodge. The cities of Bridger, Joliet, and Red Lodge are located in Carbon County, which comprises the Bridger-Joliet-Red Lodge AA. Carbon County is included in the Billings, MT Metropolitan Statistical Area (MSA). The city of Harlem is located in Blaine County, which comprises the Harlem AA. The city of Butte is located in Silver Bow County, which comprises the Butte AA. The AAs meet regulatory requirements and do not arbitrarily exclude low or moderate-income (LMI) geographies.

Data compiled by Moody's Analytics indicates that Montana's economy is in a state of expansion as of April 2015. Major economic drivers include tourism, energy resources, and agriculture. The state benefits from substantial coal and oil reserves, year-round tourist attractions, and its status as a relatively low-cost place to do business. However, Montana is geographically distant to major markets, has below-average incomes, and the agricultural sector is vulnerable to harsh weather. The long-term outlook for Montana is that the economy will likely underperform other states due to below-average population growth.

In conjunction with our evaluation, we contacted a community organization knowledgeable about local business conditions. According to the contact, economic conditions continue to improve after the recent economic downturn. The largest opportunity for financial institutions is centered in loans to small business owners, startup companies, and farm operations. The contact stated that local banks adequately provide financing opportunities to stimulate economic growth and promote emerging businesses within Carbon County and surrounding areas. The contact did not identify

any significant unmet needs, although he stated that the area understandably lacks certain financing options, such as venture capital resources.

BBNA staff also conducts community contacts annually in order to collect relevant information regarding their AAs. Bank documentation reflects that overall, the Bank is doing a good job meeting credit needs within designated AAs. Through these contacts, Bank staff have learned of business education needs/opportunities in Joliet, and affordable housing needs in Red Lodge, Harlem, and Butte. BBNA uses information from community sources in order to tailor CD activities when possible, providing value to local communities.

### **Bridger-Joliet-Red Lodge Assessment Area**

The Bridger-Joliet-Red Lodge AA encompasses Carbon County. Carbon County is part of the Billings, Montana Metropolitan Statistical Area (MSA). The Bridger-Joliet-Red Lodge AA has five census tracts, all of which are designated middle-income tracts.

According to 2010 Census data, the Bridger-Joliet-Red Lodge AA population was 10,078, and has increased 3.2 percent based on July 2014 estimates. The 2015 median family income is \$64,500 and increased 4.8 percent since 2010. A breakdown of family income levels shows that approximately 19.7 percent of families are low-income, 18.4 percent are moderate-income, 29.5 percent are middle-income, and 32.4 percent are upper-income. Approximately 13 percent of all households have income levels that fall below the poverty level.

According to the Bureau of Labor Statistics, unemployment has declined over the evaluation period. The unemployment rate was 4.7 percent in 2012, 3.9 percent in 2014, and preliminary data for July of 2015 reflects a rate of 3.2 percent. Statewide, the unemployment rate was higher at 6.0 percent in 2012 and 4.7 percent in 2014.

Top employers in Carbon County include Beartooth Hospital and Health Center, Red Lodge Mountain Resort, Red Lodge Pizza Company, Bank of Bridger, and Beartooth Market. The Carbon County economy is largely dependent on agriculture, forestry, fishing, construction, services, and tourism.

Data compiled by Moody's Analytics reflects that economic activity in the Billings MSA is expanding as of April 2015, although the pace of expansion is slowing. The longer-term economic forecast indicates that the Billings MSA economy will remain an above-average performer despite the recent impact of low oil prices. The area has benefitted from steady population growth, stable home prices, favorable infrastructure for industry, and broad industrial diversity. However, the economy is exposed to volatile commodity markets and high transportation costs because of the long distance to trading partners. Economic drivers include tourism and energy resources.

The FDIC Market Share Report as of June 30, 2014 shows that only three commercial banks operate in the AA. BBNA has the leading deposit market share of 53.2 percent,

followed by competitors First Interstate Bank and Wells Fargo, with market shares of 37.4 percent and 9.5 percent, respectively.

The following table provides a summary of demographic data for the Bridger-Joliet-Red Lodge AA.

Demographic Information for Full Scope Area: Bridger-Joliet-Red Lodge AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	5	0	0	100	0	0
Population by Geography	10,078	0	0	100	0	0
Owner-Occupied Housing by Geography	3,026	0	0	100	0	0
Business by Geography	992	0	0	100	0	0
Farms by Geography	183	0	0	100	0	0
Family Distribution by Income Level	2,794	19.72	18.4	29.46	32.43	0
Distribution of Low and Moderate Income Families throughout AA Geographies	1,065	0	0	100	0	0
Median Family Income		61,572	Median Housing Value			251,278
HUD Adjusted Median Family Income for 2015		64,500	Unemployment Rate (2010 US Census)			2.02%
Households Below Poverty Level		13%				

(\* ) The NA category consists of geographies that have not been assigned an income classification.  
 Source: 2010 US Census and 2015 HUD updated MFI

**Butte Assessment Area**

The Butte AA includes Silver Bow County, which includes the city of Butte, Montana. Since the founding of Butte during the gold boom, its principal industry has been mining. Currently, more than 8 percent of the nation’s copper continues to be produced in Butte. The Butte AA has eight census tracts; one upper-income tract, six middle-income tracts, and one moderate-income tract.

According to 2010 Census data, the Butte AA population was 34,200, and has increased 1.4 percent based on July 2014 estimates. The 2015 median family income is \$58,300, which increased 7.8 percent since 2010. A breakdown of family income levels shows 20.6 percent as low-income, 20.0 percent as moderate-income, 20.3 percent as middle-income, and 39.1 percent as upper-income. Approximately 16 percent of families have income levels that fall below the poverty level.

According to the Bureau of Labor Statistics, unemployment has declined over the evaluation period. The unemployment rate was 6.1 percent in 2012, 5.0 percent in 2014, and preliminary data for July of 2015 reflects a rate of 4.2 percent. Statewide, the unemployment rate was similar at 6.0 percent in 2012 and 4.7 percent in 2014.

Top employers in Silver Bow County include Northwestern Energy, St. James Community Hospital, Walmart, Advanced Silicon Materials, Acadia Montana, Montana

Resources, and Town Pump. The Silver Bow County economy is largely dependent on agriculture, forestry, fishing, construction, services, and tourism.

The FDIC Market Share Report as of June 30, 2014, shows eight commercial banks in the AA. Bank of Bridger, N.A. has the smallest deposit market share of 2.8 percent. The Bank’s largest competitors include Wells Fargo, US Bank, and Glacier Bank with market shares of 22.8 percent, 20.8 percent, and 20.2 percent, respectively.

The following table provides a summary of demographic data for the Butte AA.

Demographic Information for Full Scope Area: Butte AA						
		Low	Moderate	Middle	Upper	NA*
Demographic Characteristics	#	% of #	% of #	% of #	% of #	% of #
Geographies (Census Tracts/BNAs)	8	0	12.5	75	12.5	0
Population by Geography	34,200	0	14.38	75.61	10.01	0
Owner-Occupied Housing by Geography	9,773	0	8.7	80.02	11.29	0
Business by Geography	2,756	0	26.42	64.44	9.14	0
Farms by Geography	67	0	4.48	86.57	8.96	0
Family Distribution by Income Level	8,482	20.55	20.05	20.3	39.09	0
Distribution of Low and Moderate Income Families throughout AA Geographies	3,444	0	18.82	72.94	8.25	0
Median Family Income		54,061	Median Housing Value			120,215
HUD Adjusted Median Family Income for 2015		58,300	Unemployment Rate (2010 US Census)			2.77%
Households Below Poverty Level		16%				

(\* ) The NA category consists of geographies that have not been assigned an income classification.  
 Source: 2010 US Census and 2015 HUD updated MFI

**Harlem Assessment Area**

The Harlem AA encompasses Blaine County, which includes the town of Harlem, Montana. Harlem is located near the center of Blaine County and is considered a trading center for the Fort Belknap Indian Reservation. The Harlem AA has four census tracts; one distressed and underserved middle-income tract, two moderate-income tracts, and one low-income tract.

According to 2010 Census data, the Harlem AA population was 6,491, and has increased 2.0 percent based on July 2014 estimates. The 2015 median family income is \$58,300, which increased 7.8 percent since 2010. A breakdown of family income levels shows 32.9 percent of families are low-income, 20.7 percent are moderate-income, 22.2 percent are middle-income, and 24.2 percent are upper-income. Approximately 23 percent of families have income levels that fall below the poverty level.

According to the Bureau of Labor Statistics, unemployment has declined over the evaluation period. The unemployment rate was 6.3 percent in 2012, 5.8 percent in

2014, and preliminary data for July of 2015 reflects a rate of 4.7 percent. Statewide, the unemployment rate was lower at 6.0 percent in 2012 and 4.7 percent in 2014.

Top employers in Blaine County include Sweet Memorial Nursing Home, Sweet Medical Center, New Horizons Unlimited, Town Pump, E-Z Mart, Ezzie’s Wholesale, Inc., and Faith Drilling. The Blaine County economy is largely dependent on agriculture, which consists of the crop production of wheat, canola, peas, alfalfa, lentils, and barley. In addition, livestock production is the second largest income earner in the region.

The FDIC Market Share Report, as of June 30, 2014, shows that three commercial banks operate in the AA. Glacier Bank has the leading deposit market share of 59.9 percent, followed by Bank of Bridger and Wells Fargo, with market shares of 23.8 percent and 16.3 percent, respectively.

The following table provides a summary of demographic data for the Harlem AA.

Demographic Information for Full Scope Area: Harlem AA						
		Low	Moderate	Middle	Upper	NA*
Demographic Characteristics	#	% of #	% of #	% of #	% of #	% of #
Geographies (Census Tracts/BNAs)	4	25	50	25	0	0
Population by Geography	6,491	20.49	42.38	37.13	0	0
Owner-Occupied Housing by Geography	1,483	10.52	34.93	54.55	0	0
Business by Geography	523	8.03	42.64	49.33	0	0
Farms by Geography	192	1.04	38.54	60.42	0	0
Family Distribution by Income Level	1,634	32.86	20.69	22.22	24.24	0
Distribution of Low and Moderate Income Families throughout AA Geographies	875	26.06	43.31	30.63	0	0
Median Family Income		54,061	Median Housing Value			68,922
HUD Adjusted Median Family Income for 2015		58,300	Unemployment Rate (2010 US Census)			3.14%
Households Below Poverty Level		23%				

(\* ) The NA category consists of geographies that have not been assigned an income classification.  
 Source: 2010 US Census and 2015 HUD updated MFI

**SCOPE OF EVALUATION IN MONTANA**

All AAs in Montana were analyzed based on a full-scope review.

**CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN MONTANA**

In Montana, BBNA’s performance under the Lending Test is rated “Outstanding”, and performance under the CD Test is rated “Satisfactory”.

The Bridger-Red Lodge-Joliet AA was given the most weight in the analysis for Montana, due to greater loan and deposit activity in this AA. In addition, the bank had

more lending activity to businesses in the Bridger-Red Lodge-Joliet AA and the Butte AA, but more lending activity to farms in the Harlem AA. We considered this information in our conclusion within each AA.

## LENDING TEST

The bank’s performance under the lending test in Montana is rated “Outstanding”.

### Lending to Businesses and Farms of Different Sizes

BBNA’s lending penetration to businesses and farms of different sizes is excellent overall. The tables in this section reflect BBNA’s performance against demographic data. The tables lead with the demographic comparator ratios, followed by BBNA lending performance by both number and dollar volume. We derived Bank data from representative loan samples, with each category shown as a percentage of total reviewed loans.

#### Bridger-Joliet-Red Lodge Assessment Area

The penetration of BBNA’s loans to businesses of different sizes in the Bridger-Joliet-Red Lodge AA is excellent. The Bank’s distribution of loans to businesses with gross revenues of \$1 million or less exceeds the demographic comparator ratio, by both number and dollar volume. The table below details BBNA’s performance within the AA.

Table 2A - Borrower Distribution of Loans to Businesses in Bridger-Red Lodge-Joliet AA				
Business Revenues (or Sales)	<= \$1,000,000	> \$1,000,000	Unavailable	Total
% of AA Businesses	73.89%	4.23%	21.88%	100.00%
% of Bank Loans in AA by #	90.48%	9.52%	0.00%	100.00%
% of Bank Loans in AA by \$	76.75%	23.25%	0.00%	100.00%

Source: BBNA Loan Sample; Dun & Bradstreet Data

The penetration of BBNA’s loans to farms of different sizes in the Bridger-Joliet-Red Lodge AA is reasonable. The Bank’s distribution of loans to farms with gross revenues of \$1 million or less is near the demographic comparator ratio. The table below details BBNA’s performance within the AA.

Table 2A - Borrower Distribution of Loans to Farms in Bridger-Joliet-Red Lodge AA				
Business Revenues (or Sales)	<= \$1,000,000	> \$1,000,000	Unavailable	Total
% of AA Farms	98.21%	1.19%	0.60%	100.00%
% of Bank Loans in AA by #	95.00%	5.00%	0.00%	100.00%
% of Bank Loans in AA by \$	97.46%	2.54%	0.00%	100.00%

Source: BBNA Loan Sample; Dun & Bradstreet Data

Butte Assessment Area

The penetration of BBNA's loans to businesses of different sizes is reasonable overall. The Bank's distribution of loans to businesses with gross revenues of \$1 million or less is somewhat lower than demographics by number of loans, and significantly lower based on dollar volume. We placed greater weight on the number of loans originated/purchased, as our analysis focuses predominantly on determining credit availability in the AA. Larger businesses tend to have greater financing needs, which can have a significant impact on loan sizes. In addition, BBNA has a small presence in this market, and faces greater competition in this more urban AA. The following table details BBNA's performance within the AA.

<b>Table 2A - Borrower Distribution of Loans to Businesses in Butte AA</b>				
Business Revenues (or Sales)	<= \$1,000,000	> \$1,000,000	Unavailable	Total
% of AA Businesses	76.76%	4.52%	18.71%	100.00%
% of Bank Loans in AA by #	55.00%	45.00%	0.00%	100.00%
% of Bank Loans in AA by \$	20.90%	79.10%	0.00%	100.00%

Source: BBNA Loan Sample; Dun & Bradstreet Data

Due to low volumes of farm lending in the Butte AA, we did not analyze the borrower distribution to small farms. This AA is less rural than the Bank's other AAs.

Harlem Assessment Area

The penetration of BBNA's loans to businesses of different sizes is excellent. The Bank's distribution of loans to businesses with gross revenues of \$1 million or less exceeds the demographic comparator ratio. The following table details BBNA's performance within the AA.

<b>Table 2A - Borrower Distribution of Loans to Businesses in Harlem AA</b>				
Business Revenues (or Sales)	<= \$1,000,000	> \$1,000,000	Unavailable	Total
% of AA Businesses	75.10%	2.79%	22.11%	100.00%
% of Bank Loans in AA by #	89.47%	10.53%	0.00%	100.00%
% of Bank Loans in AA by \$	86.87%	13.13%	0.00%	100.00%

Source: BBNA Loan Sample; Dun & Bradstreet Data

The penetration of BBNA's loans to farms of different sizes is reasonable. The Bank's distribution of loans to farms with gross revenues of \$1 million or less is near the demographic comparator ratio based on number of loans, which is given the most emphasis in our analysis. The following table details BBNA's performance.

<b>Table 2A - Borrower Distribution of Loans to Farms in Harlem AA</b>				
Business Revenues (or Sales)	<= \$1,000,000	> \$1,000,000	Unavailable	Total
% of AA Farms	99.48%	0.52%	0.00%	100.00%
% of Bank Loans in AA by #	91.67%	8.33%	0.00%	100.00%
% of Bank Loans in AA by \$	38.94%	61.06%	0.00%	100.00%

Source: BBNA Loan Sample; Dun & Bradstreet Data

**Geographic Distribution of Loans**

BBNA’s lending dispersion to farms and businesses is excellent overall. The tables in this section reflect BBNA’s performance against demographic data. For each census tract designation based on income, the tables state the percentage of businesses or farms in the designated tract categories. Demographic data is compared to BBNA loans to businesses or farms made in designated tract categories; BBNA data by census tract is represented as a percentage of total loans sampled in the AA during the loan review period. BBNA data is based on the number of loans originated/purchased.

Bridger-Joliet-Red Lodge Assessment Area

We did not perform an analysis of the geographic distribution of loans for the Bridger-Joliet-Red Lodge AA as part of this evaluation. All geographies within this AA are designated as either middle- or upper-income. Therefore, an analysis of the geographic distribution of loans to low- or moderate-income geographies would not be meaningful.

Butte Assessment Area

BBNA’s geographic distribution of loans to businesses is excellent. The Butte AA does not have any low-income tracts, and so the conclusion is based on lending in moderate-income tracts. BBNA’s dispersion of loans to businesses in moderate-income tracts exceeds the demographic comparator ratio, reflecting excellent performance. The following table details BBNA’s performance within the AA.

Table 3A - Geographic Distribution of Loans to Businesses in Butte AA								
Census Tract Income Level	Low		Moderate		Middle		Upper	
	% of AA Businesses	% of Number of Loans	% of AA Businesses	% of Number of Loans	% of AA Businesses	% of Number of Loans	% of AA Businesses	% of Number of Loans
% of Total	0.00%	0.00%	26.10%	35.00%	64.67%	55.00%	9.23%	10.00%

Source: BBNA Loan Sample; 2010 U.S. Census Data

Due to low volumes of farm lending in the Butte AA, we did not analyze the geographic distribution for farm loans. This AA is less rural than the Bank’s other AAs.

Harlem Assessment Area

BBNA’s geographic distribution of loans to businesses is excellent overall. Although our sample did not reflect any lending in low-income tracts, lending within moderate-income tracts was more heavily weighted in our conclusion since there are significantly more businesses located in moderate-income tracts than low-income tracts in the AA. The dispersion of business loans in moderate-income tracts exceeds the demographic comparator ratio by a large margin. The following table details BBNA’s lending performance within the AA.

Table 3A - Geographic Distribution of Loans to Businesses in Harlem AA								
Census Tract Income Level	Low		Moderate		Middle		Upper	
	% of AA Businesses	% of Number of Loans	% of AA Businesses	% of Number of Loans	% of AA Businesses	% of Number of Loans	% of AA Businesses	% of Number of Loans
% of Total	7.37%	0.00%	43.23%	100.00%	49.40%	0.00%	0.00%	0.00%

Source: BBNA Loan Sample; 2010 U.S. Census Data

BBNA’s geographic distribution of loans to farms is excellent. The dispersion of farm loans in both low and moderate-income tracts exceeds demographic comparator ratios. The following table details BBNA’s performance within the AA.

Table 3A - Geographic Distribution of Loans to Farms in Harlem AA								
Census Tract Income Level	Low		Moderate		Middle		Upper	
	% of AA Farms	% of Number of Loans	% of AA Farms	% of Number of Loans	% of AA Farms	% of Number of Loans	% of AA Farms	% of Number of Loans
% of Total	0.52	4.17%	38.22%	66.67%	61.26%	29.17%	0.00%	0.00%

Source: BBNA Loan Sample; 2010 U.S. Census Data

**Responses to Complaints**

BBNA did not receive any CRA-related complaints during the evaluation period.

**COMMUNITY DEVELOPMENT TEST**

The bank’s performance under the community development test in Montana is rated “Satisfactory”.

A qualifying community development (CD) loan, investment, or service has community development as its primary purpose. The CRA regulation defines community development as follows:

- 1) The provision of affordable housing for low- and moderate-income individuals;
- 2) Community services targeted to low- and moderate-income individuals;
- 3) Activities that promote economic development by financing small businesses or small farms; or
- 4) Activities that revitalize and stabilize low- and moderate-income geographies.

During the evaluation period, BBNA demonstrated adequate responsiveness to CD needs in Montana, through qualifying CD lending, investment, and service activities.

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

BBNA's community development lending reflects overall adequate responsiveness to the needs within each Montana AA during the evaluation period. The bank originated 8 CD loans in their Montana AAs totaling \$553.4 thousand.

### Bridger-Joliet-Red Lodge Assessment Area

During the evaluation period, BBNA originated one loan totaling \$80 thousand in this AA. Loan proceeds were used for needed transportation expenditures benefitting local schoolchildren. The schools in the community serve a population of students that is predominantly low- and moderate-income (LMI).

### Butte Assessment Area

BBNA originated four loans totaling \$288.3 thousand in this AA. Loan proceeds were primarily used for purposes of affordable housing, as well as job creation. For example, a loan for \$71.5 thousand provided funds to an organization helping to refinance the home of a low-income homeowner. A loan to another affordable housing organization totaled \$57.9 thousand, and was renewed the next year at \$57.7 thousand; loan proceeds helped fund home improvements. Homes rehabilitated by the organization are sold to qualifying LMI families and individuals.

### Harlem Assessment Area

BBNA originated three loans totaling \$185 thousand. All loans were originated to local municipal entities, and helped fund needed infrastructure projects that benefitted LMI, and distressed/underserved middle-income geographies.

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

BBNA's CD investment activities reflect adequate responsiveness to the needs within its AAs in Montana. Investments include one investment bond totaling \$314.5 thousand, and donations to 24 CD organizations in the combined AAs, totaling \$7.7 thousand. The Bank also reported an in-kind donation of computers that benefitted a broader regional area.

### Bridger-Joliet-Red Lodge Assessment Area

BBNA invested in a bond in the amount of \$314.5 thousand that provided funds for needed repairs to a local school. The school serves a predominantly LMI population of students. In addition, BBNA donated a total of \$4.4 thousand dollars to 8 CD organizations in the AA. Donations provided needed services to LMI people, such as food assistance, affordable housing resources, and resources for victims of domestic and sexual violence. In addition, funds provided financial education opportunities for small businesses and area students, including a significant percentage of LMI students.

### Butte Assessment Area

BBNA did not have any investments in this AA. Donations totaling \$2.2 thousand benefitted 12 CD organizations in the AA. These organizations primarily target LMI people with needed services, as well as economic development organizations.

### Harlem Assessment Area

BBNA did not have any investments in this AA. Donations totaling \$1.1 thousand benefitted 4 CD organizations in the AA. These organizations primarily target LMI people with needed services, such as food for low-income and homeless individuals, and community services targeted to tribal organizations in the AA.

### Broader Statewide or Regional Area

Although not part of the bank's AA, Yellowstone County is in the Billings MSA, and is adjacent to the Bridger-Joliet-Red Lodge AA. The bank made an in-kind donation of refurbished computers to a CD organization in Billings. The computers were conservatively valued at approximately \$8.4 thousand, and were donated to LMI students in the area.

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

BBNA documented a total of 578 hours of service to 12 qualifying CD organizations in the state of Montana. To qualify as a CD service for purposes of the CRA, bank employees must provide a technical service in their official capacity as a bank employee. Services provided must draw upon the employee's skills and expertise in their capacity as a bank employee, and must be provided to qualifying organizations.

A sample of activities performed by bank personnel includes the following types of service:

- 1) Board membership,
- 2) Business and financial planning,
- 3) Fundraising,
- 4) Administrative/managerial services, and
- 5) Financial education.

The distribution of BBNA's branches and service delivery systems are accessible to individuals of different income levels within AAs located in Montana. The Bank has five full-service locations that also have ATMs. The Harlem, MT branch and ATM is located in a moderate-income tract. BBNA also has six additional ATMs in Montana, three of which are in moderate-income tracts. The Bank did not open or close any branches during the evaluation period. Branch hours are convenient to individuals, and are similar across branches. The Bank also offers 24-hour internet banking services, and mobile

banking. Free access to in-store ATM networks in Montana K-marts also enhances access to banking services.

#### Bridger-Joliet-Red Lodge Assessment Area

BBNA reported 477 service hours to eight CD organizations in this AA. These organizations provide community services such as food assistance, financial education to LMI students, services for victims of domestic and sexual violence, as well as economic development. The Bank's information technology officer also spent approximately 10 hours refurbishing outdated bank computers that BBNA later donated to a CD organization in Billings, MT.

#### Butte Assessment Area

BBNA reported 101 service hours to four CD organizations in this AA. These organizations provide affordable housing services for LMI families, financial education for LMI students, and fundraising assistance for qualifying organizations.

#### Harlem Assessment Area

BBNA did not report any CD service hours in this AA.

### **Responsiveness to Community Development Needs**

BBNA's community development lending, investment, and service activities demonstrate adequate responsiveness to needs within its AAs in Montana. The Bank is responsive to business credit needs, which was stated as a need by the community contact made in conjunction with the evaluation. Bank management has also worked to address identified affordable housing needs and financial education through CD activities.

The Bank facilitates small business lending through their participation in loan programs. As of fiscal year-end 2014, the Montana District Office of the U.S. Small Business Administration (SBA) reported on loan activity by local financial institutions. The SBA assists businesses through various loan programs, including the popular 7(a) Guaranty Loan Program, which provides short or long-term financing for small business start-up or expansion needs. Bank lenders collaborate with the SBA to participate in all SBA programs based on the unique needs of bank customers. BBNA originated 16 SBA-guaranteed loans totaling approximately \$3.5 million from October 1, 2013 to September 30, 2014. BBNA ranked fifth out of 47 financial institutions in Montana based on number of loan approvals during that period.

BBNA also participated in the Home\$tart program, which is offered through the Federal Home Loan Bank. The program provides downpayment and closing cost assistance to qualifying homebuyers earning up to 80 percent of area median income, adjusted for family size. During the evaluation period, BBNA facilitated total grants of \$25 thousand,

awarded to five homebuyers in the Bank's combined AAs. Of these five grants, two were awarded to residents in the Bank's Montana AAs.

## State Rating

### State of Wyoming

#### **CRA Rating for Wyoming: Satisfactory**

**The Lending Test is rated: Outstanding**

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

- Lending activities represent excellent penetration among individuals of different income levels.
- The geographic distribution of loans reflects excellent dispersion throughout the AA.
- The Bank's community development (CD) performance demonstrates adequate responsiveness to the CD needs of the AA, through qualified CD loans, investments, and services.

### **DESCRIPTION OF INSTITUTION'S OPERATIONS IN WYOMING**

BBNA's Wyoming AA consists of two contiguous counties (Big Horn County, and a portion of Park County) and one neighboring non-contiguous county (a portion of Hot Springs County). All three counties were combined into one AA for analysis purposes, as they share similar economic and demographic characteristics. None of the counties in the Wyoming AA are designated a Metropolitan Statistical Area (MSA). The AA meets regulatory requirements and does not arbitrarily exclude LMI geographies.

Two Bank branches, Lovell and Greybull, are located in Big Horn County. The remaining two branches, Powell and Thermopolis, are located in Park and Hot Springs Counties, respectively. The Wyoming AA consists of seven census tracts; six middle-income tracts and one moderate-income tract. Four of the middle-income tracts are designated as underserved due to the rural nature of the tracts.

According to the FDIC Deposit Market Share Report dated June 30, 2014, nine financial institutions have a presence in the AA, with twenty-five offices throughout the three counties. This report indicates BBNA's deposits in the AA total \$182 thousand with 14 percent of deposit market share. The four primary competitors of BBNA include Glacier Bank with 24 percent market share, Wells Fargo with 18 percent market share, Pinnacle Bank with 18 percent market share, and Big Horn Federal with 12 percent market share.

According to 2010 Census data, the Wyoming AA had a population of 27,737. Census population data for Big Horn, Hot Springs, and Park Counties indicate population growth of 2.4 percent between 2010 and July 2014 estimates. The 2015 median family income for the AA is \$70,700 and increased 5.5 percent since 2010. A breakdown of family income levels shows that 22.8 percent of families are low-income, 20.5 percent are moderate-income, 29.3 percent are middle-income, and 31.5 percent are upper-income. Approximately 9 percent of families have income levels that fall below the poverty level.

According to the Bureau of Labor Statistics, unemployment has declined over the evaluation period. The unemployment rate in Big Horn County was 5.7 percent in 2012, 4.7 percent in 2014, and preliminary data for July 2015 shows a rate of 3.9 percent. The unemployment rate in Hot Springs County was 4.7 percent in 2012, 4.3 percent in 2014, and preliminary data for July 2015 shows a rate of 3.4 percent. The unemployment rate in Park County was 5.5 percent in 2012, 4.7 percent in 2014, and preliminary data for July 2015 shows a rate of 3.1 percent. Statewide, the unemployment rate was similar at 5.3 percent in 2012 and 4.3 percent in 2014.

Wyoming's economy in Big Horn, Park, and Hot Springs Counties is largely dependent on oil and gas development, bentonite mining, farming, ranching, tourism, health, and government.

Based on data compiled by Moody's Analytics as of April 2015, the Wyoming economy is in a state of recovery. Economic strengths include a low debt burden relative to the national average, favorable energy costs, and abundant natural resources. However, the state exhibits below-average educational attainment, low industrial diversity, and a business cycle tightly linked to migration trends; net migration was negative in 2014. The longer-term forecast indicates that the state will underperform the country due to the contracting coal industry, inadequate concentration of higher-value-added services, and slow population growth. Economic drivers include energy resources, defense, and agriculture.

In conjunction with our evaluation, we contacted a Small Business Development Center (SBDC) regional office. The contact stated that the local economy is stable, and the largest opportunity for financial involvement is centered in loans to small business owners, startup companies, and agricultural operations. He also indicated that local banks adequately provide financing opportunities to stimulate economic growth and promote emerging businesses within the county, but noted the limitations of smaller financial institutions based on the level of risk they are willing and able to take. The contact did not identify any significant unmet credit needs in the AA.

BBNA also conducts community contacts annually in order to collect relevant information regarding its AAs. Bank documentation reflects that overall, the Bank is doing a good job meeting credit needs within designated AAs. Through these contacts, the Bank has learned of business education needs/opportunities in Thermopolis, and affordable housing and financial education needs in Greybull. BBNA uses information from community sources in order to tailor their CD activities when possible, providing value to their communities.

The following table provides a summary of demographic information.

<b>Demographic Information for Full Scope Area: Wyoming AA</b>						
		Low	Moderate	Middle	Upper	NA*
Demographic Characteristics	#	% of #	% of #	% of #	% of #	% of #
Geographies (Census Tracts/BNAs)	7	0	14.29	85.71	0	0
Population by Geography	27,737	0	9.16	90.84	0	0
Owner-Occupied Housing by Geography	8,236	0	8.95	91.05	0	0
Business by Geography	2,334	0	7.63	92.37	0	0
Farms by Geography	307	0	17.59	82.41	0	0
Family Distribution by Income Level	7,516	22.79	20.45	25.31	31.45	0
Distribution of Low and Moderate Income Families throughout AA Geographies	3,250	0	10.34	89.66	0	0
Median Family Income		67,040	Median Housing Value		142,666	
HUD Adjusted Median Family Income for 2015		70,700	Unemployment Rate (2010 US Census)		2.09%	
Households Below Poverty Level		9%				

(\* ) The NA category consists of geographies that have not been assigned an income classification.  
 Source: 2010 US Census and 2015 HUD updated MFI

**SCOPE OF EVALUATION IN WYOMING**

Wyoming has one AA evaluated based on a full-scope review. Because a majority of BBNA deposits are in the Wyoming AA, this state received greater weight in our overall conclusions.

**CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN WYOMING**

In Wyoming, BBNA’s performance under the lending test is rated “Outstanding”, and performance under the CD Test is rated “Satisfactory”.

**LENDING TEST**

The bank’s performance under the lending test in Wyoming is rated “Outstanding”. Greater weight was placed on the lending activity analysis for business loans, because business lending activity was greater than farm lending activity during the evaluation period.

**Lending to Businesses and Farms of Different Sizes**

The tables in this section reflect BBNA’s performance against demographic data. The tables lead with the demographic comparator ratios, followed by BBNA lending performance by both number and dollar volume. We derived Bank data from

representative loan samples, with each category shown as a percentage of total reviewed loans.

The penetration of BBNA’s loans to businesses of different sizes is excellent. The Bank’s distribution of loans to businesses with gross revenues of \$1 million or less exceeds the demographic comparator ratios for number of loans originated during the loan review period, which is given greater emphasis than dollars originated, as described in the analysis of Montana. The following table details BBNA’s performance within the AA.

<b>Table 2A - Borrower Distribution of Loans to Businesses in Wyoming AA</b>				
Business Revenues (or Sales)	<= \$1,000,000	> \$1,000,000	Unavailable	Total
% of AA Businesses	75.53%	4.89%	19.57%	100.00%
% of Bank Loans in AA by #	91.30%	8.70%	0.00%	100.00%
% of Bank Loans in AA by \$	63.70%	36.30%	0.00%	100.00%

Source: BBNA Loan Sample; Dun & Bradstreet Data

The penetration of BBNA’s loans to farms of different sizes is reasonable. The Bank’s distribution of loans to farms with gross revenues of \$1 million or less is lower than the demographic comparator ratio, but is within a reasonable range. The following table details BBNA’s performance within the AA.

<b>Table 2A - Borrower Distribution of Loans to Farms in Wyoming AA</b>				
Business Revenues (or Sales)	<= \$1,000,000	> \$1,000,000	Unavailable	Total
% of AA Farms	97.32%	0.67%	2.01%	100.00%
% of Bank Loans in AA by #	77.27%	22.73%	0.00%	100.00%
% of Bank Loans in AA by \$	71.80%	28.20%	0.00%	100.00%

Source: BBNA Loan Sample; Dun & Bradstreet Data

### **Geographic Distribution of Loans**

The tables in this section reflect BBNA’s performance against demographic data. For each census tract designation based on income, the tables state the percentage of businesses or farms in the designated tract categories. Demographic data is compared to BBNA loans to businesses or farms made in designated tract categories; BBNA data by census tract is represented as a percentage of total loans sampled in the AA during the loan review period. BBNA data is based on the number of loans originated and purchased.

BBNA’s geographic distribution of loans to businesses is excellent given performance context factors. There are no low-income tracts in the AA, so this element is not applicable. Based on our sample, BBNA did not originate any loans in the single moderate-income tract, indicating poor penetration. However, four tracts in this AA are designated as underserved middle-income tracts. BBNA’s lending activity is heavily concentrated in underserved middle-income geographies, with 91.3 percent of loans in our sample located in underserved tracts. Though not included in our sample, we also noted that BBNA records indicate business loan originations in the one moderate-income tract in this AA. These factors mitigate performance in the moderate-income

tract and represent excellent performance. The following table details BBNA's performance in the AA.

Table 3A - Geographic Distribution of Loans to Businesses in Wyoming AA								
Census Tract Income Level	Low		Moderate		Middle		Upper	
	% of AA Businesses	% of Number of Loans	% of AA Businesses	% of Number of Loans	% of AA Businesses	% of Number of Loans	% of AA Businesses	% of Number of Loans
% of Total	0.00%	0.00%	7.02%	0.00%	92.98%	100.00%	0.00%	0.00%

Source: BBNA Loan Sample; 2010 U.S. Census Data

BBNA's geographic distribution of loans to farms is excellent. The Wyoming AA does not have any low-income tracts, and so the conclusion is based on lending in moderate-income tracts and underserved middle-income tracts. BBNA's dispersion of loans to farms in moderate-income tracts exceeds the demographic comparator ratio, reflecting excellent performance. In addition, 81.8 percent of sampled loans were originated in underserved middle-income tracts. The following table details BBNA's performance within the AA.

Table 3A - Geographic Distribution of Loans to Farms in Wyoming AA								
Census Tract Income Level	Low		Moderate		Middle		Upper	
	% of AA Farms	% of Number of Loans	% of AA Farms	% of Number of Loans	% of AA Farms	% of Number of Loans	% of AA Farms	% of Number of Loans
% of Total	0.00%	0.00%	17.59%	18.18%	82.41%	81.82%	0.00%	0.00%

Source: BBNA Loan Sample; 2010 U.S. Census Data

### Responses to Complaints

BBNA did not receive any CRA-related complaints during the evaluation period.

### COMMUNITY DEVELOPMENT TEST

The bank's performance under the community development test in Wyoming is rated "Satisfactory".

During the evaluation period, BBNA demonstrated adequate responsiveness to CD needs in Wyoming, through qualifying CD lending, investment, and service activities.

### Number and Amount of Community Development Loans

BBNA's community development lending reflects overall adequate responsiveness to the needs within its Wyoming AA during the evaluation period. The Bank originated 20 qualifying loans totaling \$3.2 million.

Five loans totaling \$1.3 million provided funds to several local businesses in an underserved area, and helped create or retain jobs and services for LMI individuals. Five loans totaling \$918.6 thousand funded transportation needs for a school district in a moderate-income and underserved middle-income area. Seven loans totaling \$424.6 thousand funded the purchase and/or rehabilitation of rental properties affordable for LMI individuals and families. Additional loans funded an irrigation project and infrastructure needs in a rural and underserved area, and provided funds for home weatherization services targeted to low-income homeowners and renters.

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

BBNA reported two qualifying investments totaling \$275 thousand, benefitting the underserved municipality of Big Horn County. Funds were used for water and sewer infrastructure projects. In addition, BBNA donated \$7.8 thousand to 5 qualifying organizations in the AA. The most significant donation went toward improving school facilities; students at the school are predominantly LMI, and the school is located in the underserved geography of Big Horn County. Other donations benefitted organizations providing economic development in the AA, and community services to LMI individuals.

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

The distribution of BBNA's branches and service delivery systems are accessible to individuals of different income levels within the Wyoming AA. The Bank has four full-service locations that also have ATMs; the ATM in Powell, WY also accepts deposits. The branches in Greybull, Lovell, and Powell are located in underserved middle-income census tracts. Wyoming also has six additional ATMs in Wyoming, four of which are in underserved tracts. The Bank did not open or close any branches during the evaluation period. Branch hours are convenient to individuals, and are similar across branches. The Bank also offers 24-hour internet banking services and mobile banking. Free access to in-store ATM networks in Wyoming K-marts also enhances access to banking services.

BBNA reported 770 service hours to 8 CD organizations in Wyoming. Organizations served primarily focus on economic development activities, financial education efforts, and service to a local hospital board serving medical needs in an underserved area, including LMI citizens.

### **Responsiveness to Community Development Needs**

BBNA's community development lending, investment, and service activities demonstrate adequate responsiveness to needs in the Wyoming AA. The Bank is responsive to business credit needs, which was stated as a need by the community contact made in conjunction with the evaluation. The Bank has also worked to address identified affordable housing needs and financial education through their CD activities.

The Bank facilitates small business lending through their participation in loan programs. As of fiscal year-end 2014, the Wyoming District Office of the U.S. Small Business Administration (SBA) reported on local loan activity. The SBA assists businesses through various loan programs, including the popular 7(a) Guaranty Loan Program, which provides short or long-term financing for small business start-up or expansion needs. Bank lenders collaborate with the SBA to participate in all SBA programs based on the unique needs of bank customers. BBNA originated 15 SBA-guaranteed loans totaling approximately \$2.5 million from October 1, 2013 to September 30, 2014. Out of 33 financial institutions, BBNA was the leader in Wyoming based on number of loan approvals generated under SBA programs.

The Powell branch also participates in the Wyoming Smart Capital Network, which provides federal funds to help facilitate small business lending.

As described in the State of Montana section, BBNA participates in the Home\$art program, which is offered through the Federal Home Loan Bank and provides down payment and closing cost assistance to qualifying homebuyers. BBNA assisted three homebuyers in the Bank's Wyoming AA to apply for and receive grants of \$5 thousand each.

## Appendix A: Scope of Examination

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

<b>Time Period Reviewed</b>	Lending Test: (06/26/2012 to 07/13/2015) Community Development Test: (06/26/2012 to 07/13/2015)	
<b>Financial Institution</b>	<b>Products Reviewed</b>	
Bank of Bridger, National Association (BBNA) Bridger, Montana	Business Loans, Farm Loans	
<b>Affiliate(s)</b>	<b>Affiliate Relationship</b>	<b>Products Reviewed</b>
None.		No affiliate products reviewed.
<b>List of Assessment Areas and Type of Examination</b>		
<b>Assessment Area</b>	<b>Type of Exam</b>	<b>Other Information</b>
<u>Montana</u> Bridger-Joliet-Red Lodge AA Butte AA Harlem AA	Full-Scope Full-Scope Full-Scope	Carbon County Silver Bow County Blaine County
<u>Wyoming</u> Wyoming AA	Full-Scope	Big Horn County, Northern Hot Springs County, Northeastern Park County

## Appendix B: Summary of State Ratings

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Overall Bank:	Lending Test Rating	Community Development Test Rating	Overall Bank/State Rating
Bank of Bridger, N.A.	Outstanding	Satisfactory	Satisfactory
Montana	Outstanding	Satisfactory	Satisfactory
Wyoming	Outstanding	Satisfactory	Satisfactory