



PUBLIC DISCLOSURE

June 11, 2018

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

First Citizens National Bank
Charter Number 5263

200-206 West Court Street
Dyersburg, Tennessee 38025

Office of the Comptroller of the Currency

Victory Building
1401 West Capitol Avenue
Suite 350
Little Rock, AR 72201

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 **Satisfactory**.

The following table indicates the performance level of **First Citizens National Bank (FCNB)** with respect to the Lending, Investment, and Service Tests:

| Performance Levels | First Citizens National Bank Performance Tests | | |
|---------------------------|---|-----------------|--------------|
| | Lending Test* | Investment Test | Service Test |
| Outstanding | | | |
| High Satisfactory | X | X | X |
| Low Satisfactory | | | |
| Needs to Improve | | | |
| Substantial Noncompliance | | | |

* The Lending Test is weighted more heavily than the investment and service tests when arriving at an overall rating.

The major factors that support this rating include:

- Geographic distribution of home mortgage loans, small loans to businesses, and farms is good.
- Borrower distribution is good for home mortgage loans, small loans to businesses, and farms.
- A substantial majority of loans originated within the Bank’s assessment areas.
- FCNB has a good level of community development (CD) lending.
- The Bank has a good level of qualified investments.
- The retail branch distribution is good.
- The Bank has a good level of CD services.

Definitions and Common Abbreviations

The following terms and abbreviations are used throughout 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. A bank subsidiary is controlled by the Bank and is, therefore, an affiliate.

Aggregate Lending: The number of loans originated and purchased by all reporting lenders in specified income categories as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the MA/assessment area.

Census Tract (CT): A small subdivision of metropolitan and other densely populated counties. Census tract boundaries do not cross county lines; however, they may cross the boundaries of metropolitan areas. Census tracts generally have a population between 1,200 and 8,000 people, with an optimal size of 4,000 people. Their physical size varies widely depending upon population density. Census tracts are designed to be homogeneous with respect to population characteristics, economic status, and living conditions to allow for statistical comparisons.

Community Development: 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; activities that revitalize or stabilize low- or moderate-income geographies, distressed or underserved nonmetropolitan middle-income geographies, or designated disaster areas; or loans, investments, and services that support, enable or facilitate projects or activities under HUD Neighborhood Stabilization Program criteria that benefit low-, moderate-, and middle-income individuals and geographies in the Bank's assessment area(s) or outside the assessment area(s) provided the Bank has adequately addressed the community development needs of its assessment area(s).

Community Reinvestment Act (CRA): the statute that requires the OCC to evaluate a bank's record of meeting the credit needs of its local community, 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, home equity loans, other secured consumer loans, and other unsecured consumer loans.

Family: Includes a householder and one or more other persons living in the same household who are related to the householder by birth, marriage, or adoption. The number of family households always equals the number of families; however, a family household may also include non-relatives living with the family. Families are classified by type as either a married-couple family or other family, which is

further classified into 'male householder' (a family with a male householder' and no wife present) or 'female householder' (a family with a female householder and no husband present).

Full 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, loan pricing, the lien status of the collateral, any requests for preapproval, and loans for manufactured housing.

Home Mortgage Loans: Such loans include home purchase, home improvement and refinancings, as defined in the HMDA regulation. These include loans for multifamily (five or more families) dwellings, manufactured housing and one-to-four family dwellings other than manufactured housing.

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

Low-Income: Individual income that is less than 50 percent of the area median income, or a median family income that is less than 50 percent, in the case of a geography.

Market Share: The number of loans originated and purchased by the institution as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the MA/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. 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 it and half below it.

Metropolitan Area (MA): Any metropolitan statistical area or metropolitan division, as defined by the Office of Management and Budget, and any other area designated as such by the appropriate federal financial supervisory agency.

Metropolitan Division: 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: 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.

Other Products: Includes any unreported optional category of loans for which the institution collects and maintains data for consideration during a CRA examination. Examples of such activity include consumer loans and other loan data an institution may provide concerning its lending performance.

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

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

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

Small Loan(s) to Business(es): A loan included in 'loans to small businesses' as defined in the Consolidated Report of Condition and Income (Call Report) 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 One 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.

Description of Institution

First Citizens National Bank (FCNB) is an intrastate bank headquartered in Dyersburg, Tennessee (TN) which is also the County Seat of Dyer County. Dyersburg has a population of approximately 16,473 according to the 2017 U.S. Census, and is approximately 70 miles north of Memphis, Tennessee. First Citizens Bancshares, Inc., a financial holding company, with assets of \$1.66 billion, wholly owns FCNB. As of December 31, 2017, FCNB had total assets of \$1.7 billion, Tier One Capital of \$162.6 million. The Bank has one subsidiary, White & Associates/First Citizens Insurance LLC. This is a full-service insurance agency operating in numerous locations throughout West Tennessee. The activities of this subsidiary were not relevant to the evaluation of the Bank's CRA Performance.

FCNB has six assessment areas (AA) all located within the state of Tennessee. These AAs include the non- Metropolitan Statistical Area (MSA) counties of Dyer, Lauderdale, Obion, and Weakley Counties in Northwest TN, the Memphis TN-MS-AR-MSA 32820, Jackson TN MSA 27180, Nashville TN MSA 34980, Cleveland TN MSA 17420, and Chattanooga TN-GA MSA 16860. Dyer, Lauderdale, Obion, and Weakley Counties are contiguous. The Memphis MSA consists of Shelby County (excluding the City of Memphis), Fayette County, and Tipton County that are contiguous. The Jackson MSA AA includes 21 census tracts (CTs) within Madison County. The Nashville MSA AA includes 37 CTs within Williamson County. The Cleveland MSA AA includes 18 CTs within Bradley County. The Chattanooga MSA AA includes 74 CTs within Hamilton County.

FCNB primarily engages in generating deposits and originating loans. Based on June 30, 2017, Federal Deposit Insurance Corporation (FDIC) deposit reports, FCNB had deposits of \$1.3 million. FCNB is the 16th largest deposit holder in the state of Tennessee, with the largest percentage of deposits concentrated in the full scope TN Non-MSA area located around its headquarters in Dyer County. Approximately 27.81 percent of FCNB's deposits are in the full scope TN Non-MSA area with the majority located in Dyer County, where FCNB has 61.64 percent of the total deposits. FCNB is ranked as the largest depository institution in the full scope TN Non-MSA with 27.81 percent of the total deposits.

Approximately 28.02 percent of FCNB's deposits are in the full scope Memphis MSA. These deposits represent only 1.46 percent of the total deposits at FDIC insured financial institutions within the Memphis MSA. FCNB is ranked 12th in the limited scope Jackson MSA with 0.60 percent of the market share. FCNB is ranked 14th in the limited scope Nashville MSA with 1.23 percent of the market share. FCNB is ranked 2nd in the limited scope Cleveland MSA with 14.70 percent of the market share. The Chattanooga MSA branch was not opened until November 2017, as a result no market share data was available.

FCNB's lending activities are primarily in commercial real estate loans and residential real estate loans. Agricultural lending is a primary loan product for the TN Non-MSA counties. FCNB also offers a wide range of consumer loan products such as automobile, recreational vehicles, secured, unsecured, and fixed and adjustable rate real estate mortgage loans. FCNB's loan portfolio composition was approximately 51 percent commercial real estate loans, 26% residential real estate loans, 10 percent commercial loans, 11 percent agricultural loans, and 3 percent consumer loans as of December 31, 2017.

FCNB is a full-service bank with 23 full-service banking offices, one drive-up banking location, and 39 automated teller machines (ATMs). During the evaluation period, two branches were opened one in the Nashville MSA on November 20, 2017 and one was opened in the Chattanooga MSA on September 12, 2017. In September 2016, FCNB acquired Southern Heritage Bank (SHB) which added three branches in

the Cleveland MSA. No full-service branches were closed during the evaluation period. Two drive-in branches were consolidated into the near-by branches. All branches have drive-through service and extended hours on Fridays. Some of the branches are open a half-day on Saturdays, and most have on-site ATM's.

FCNB's primary focus is to grow/expand through quality growth, while maintaining a strong corporate culture where employees strive to deliver a level of service that exceeds customer expectations. Along with deposit and lending services, FCNB maintains a trust department, and provides investment and insurance products and services to its customers through its affiliates.

There are no financial, legal, or other factors impeding FCNB's ability to meet the credit needs of its community. The Bank received a "Satisfactory" rating at the August 17, 2015, CRA performance evaluation.

Scope of the Evaluation

Evaluation Period/Products Evaluated

Loan products used for this evaluation include business loans, farm loans, and home mortgage loans that include home purchase, home improvement, and home refinance loans from July 1, 2015 through December 31, 2017. Farm Loans were reviewed for the TN Non-MSA assessment area given farm loans are a primary product for the TN Non-MSA. CD activities include loans, qualified investments and grants/donations, and services. The evaluation period for CD activities is September 15, 2014, through December 31, 2017.

For the Lending Test, separate analyses were conducted with the years of 2015 and 2016 combined. The year 2017 was analyzed separately due to the 2015 American Community Survey (ACS) US Census that applies to 2017. The 2010 US Census applies to the years 2015 and 2016. Comparative data was different for each year due to the Census change and the change of the income level of some census tracts (CTs) also referred to as geographies.

Data Integrity

A separate data integrity review of the 2015, 2016, and 2017 HMDA and CRA reportable loans was not done. This data was deemed accurate in the past and there have been no material changes to the Bank's process in recording this data. Bank audits or compliance reviews indicate no material errors in the data. During the performance evaluation, community development loans, investments, and services were reviewed to determine if they qualified for CRA credit and those items that did not qualify were not considered.

Selection of Areas for Full-Scope Review

The Bank currently has six assessment areas (AAs) in Tennessee comprised of Counties where five of the AAs are Metropolitan Statistical Areas (MSAs) and one is a TN Non-MSA comprised of four contiguous counties. Those MSAs that note (partial) mean that all counties of the MSA were not part of the Bank's AA. For this evaluation, the areas selected for full-scope reviews have the most branches, deposits, and lending activities. Refer to Appendix A for additional information regarding the assessment areas receiving a full-scope review.

The full-Scope reviews included the following assessment areas (AAs) with partial denoting that the MSA is comprised of more counties that are not part of the Bank's AA:

Non-MSA TN- Dyer- Weakly, Obion, and Lauderdale Counties
MSA 32820 Memphis TN- Fayette, Shelby, and Tipton Counties (partial)

Limited-Scope Reviews included the following:

MSA 16860 Chattanooga TN (partial)- Hamilton
MSA 17420 Cleveland TN (partial)- Bradley County
MSA 34980 Nashville TN (partial)- Williamson County
MSA 27180 Jackson TN (partial) - Madison County

Ratings

The Bank's overall rating is based primarily on those areas that received full-scope reviews. Business lending received the most weight considering the Bank's strategic focus. The Lending Test received the most weight when arriving at an overall rating. We based our evaluation of lending performance on residential mortgage loans, loans to small businesses and small farm loans reportable under the Home Mortgage Disclosure Act (HMDA) and Community Reinvestment Act (CRA) requirements during the evaluation period.

Discriminatory or Other Illegal Credit Practices Review

Pursuant to 12 C.F.R. §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 assessment area 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 Consumer Financial Protection Bureau, as applicable.

The OCC has not identified that this institution [or any affiliate whose loans have been considered as part of the institution's lending performance] 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.

Conclusions with Respect to Performance Tests

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

The Bank's performance under the Lending Test in Tennessee is rated "High Satisfactory", when considering the Bank's good level of lending in the full scope TN Non-MSA AA and the Memphis MSA.

Lending Activity

Overall, the Bank's lending activity reflects good responsiveness to assessment area credit needs for mortgages, small business loans, and farms. Refer to Table 1 Lending Volume in Appendix C for the facts and data used to evaluate the Bank's lending activity. Home mortgage lending activity was adequate and small business activity was adequate.

Multiple performance context factors had an impact on FCNB's lending activity. The Bank continues to increase organic growth during the evaluation period but also was challenged with strong competition in its assessment areas with a large number of lenders reporting home mortgage loan activity. These lenders include non-bank lenders that do not take deposits in the assessment area as well as large banks with a nationwide presence that offer a wide variety of home mortgage loan products and a large count of business loans with small average loan sizes.

Economic recovery from the recession has been sluggish during the evaluation period but improving, with the reduction of high unemployment rates and improvement in homes with negative equity positions. More stringent underwriting practices also factored into loan production among banks as well as investors purchasing residential properties with cash further reducing affordable housing for low- and moderate-income people. Obtaining subsidized residential lending for low- and moderate-income people can be difficult due to a sometime lengthy loan process not timely enough to obtain an available property. All these factors impacted overall lending activity during the evaluation period for lenders in the Bank's assessment areas. For further discussion on these and other performance context issues, please see the Market Profile in Appendix B.

TN Non-MSA

FDIC data as of June 30, 2017 shows that FCNB had a deposit market share of 27.78 percent and was ranked 1st among 18 financial institutions reporting deposits in the TN Non-MSA AA. Simmons Bank and the Bank of Ripley ranked 2nd and 3rd, respectively, and have deposit market shares of 23.62 and 7.47 percent, respectively.

For home mortgage loans, FCNB's market share and rank is significantly below its deposit market share. This is poor, but when considering that there are 213 mortgage lenders in the market that are much larger than FCNB and that offer a broader range of mortgage lending options, the Bank's performance is considered adequate. FCNB's market share (by number of loans), based on aggregate data from 2017 is 10.83 percent, and the Bank is ranked 1st of 213 mortgage lenders reporting home

mortgage loans in the TN Non-MSA AA. Simmons Bank, Regions Bank, and Freedom Mortgage Corporation rank 2nd, 3rd, and 4th, and have market shares of 9.96, 9.64, and 5.50 percent, respectively.

Lending activity for reportable businesses loans is excellent. The Bank's market share of small loans to businesses exceeds its deposit market share and the rank is 1st out of 52 lenders and equal to its deposit market share rank. Based on 2016 aggregate data (most recent available) the Bank's market share of small loans to businesses is 38.68 percent (based on the number of loans) and is also high based on the dollar volume at 45.71 percent. Simmons Bank, Citibank NA (National Association), and American Express FSB (Federal Savings Bank) ranked 2nd, 3rd, and 4th with business loan market shares of 13.76, 7.46, and 7.32 percent, respectively.

The Bank also has an excellent level of small business loans (revenues of \$1 million or less) with a 32.14 percent lender market share and ranked 1st out of 51 lenders. Simmons Bank, Citibank NA, and American Express FSB rank 2nd, 3rd, and 4th, respectively.

FCNB's lending to small farm loans is excellent with a 60.71 market share. The Bank's market share exceeds its deposit market share and the rank is 1st out of 15 lenders and equal to its deposit market share rank. Simmons Bank, Commercial Bank and Trust Company, and John Deere Financial FSB ranked 2nd, 3rd, and 4th, with market shares of 15.63, 9.08, and 6.85, respectively.

Memphis TN-MS-AR-MSA 32820

FDIC data as of June 30, 2017 shows that FCNB had a deposit market share of 1.46 percent and was ranked 13th among 38 financial institutions reporting deposits in the MSA. First Tennessee Bank NA, Regions Bank, and Suntrust Bank who rank 1st, 2nd, and 3rd, respectively, and have a combined deposit market share of 50.32 percent, dominated deposit market share.

For home mortgage loans, FCNB's market share and rank is very poor, but adequate considering performance context. There are 457 competitors with more assets and a broader selection of mortgage lending products. FCNB's market share (by number of loans), based on aggregate data from 2017 is 1.46 percent, and the Bank is ranked 49th of 457 lenders reporting home mortgage loans in the MSA. The top three lenders are Wells Fargo Bank NA, Quicken Loans, and Regions Bank with a combined lender market share of 16.77 percent.

Lending activity for small loans to businesses is adequate considering performance context. The Bank's market share of small loans to businesses is significantly below its deposit market share and rank. Based on 2016 aggregate data the Bank's market share of small loans to businesses is 3.49 percent (based on dollar volume), and the Bank is ranked 10th of 121 lenders reporting such loans in the MSA. Market share and rank are based on the dollar volume of loans rather than number of loans considering that the credit card lenders that dominate the market make business loans in smaller dollar amounts. The top three reporters of small loans to businesses are all credit card lenders that combined have a market share of 49.41 percent based on number of loans but only 12.74 percent based on dollar volume. The top three reporters are American Express FSB, Citibank NA, and Capital One Bank (USA) NA. The average loans size for each lender is \$11 thousand, \$14 thousand and \$8 thousand, respectively. FCNB's average loan size is \$125 thousand.

Distribution of Loans by Income Level of the Geography

Refer to Table O in appendix C for the facts and data used to evaluate the geographic distribution of the Bank's home mortgage loan originations and purchases.

Overall, the geographic distribution of loans is good, given performance context. The geographic distribution of loans is good based on the full-scope review of performance in the TN Non-MSA and the Memphis MSA. The geographic distribution of home mortgage loans, small loans to businesses, and small loans to farms is good, given performance context. For a further discussion of these and other performance context issues, please see the Market Profile in Appendix B.

Home Mortgage Loans

Overall, the geographic distribution of home mortgage loans is good given performance context. The geographic distribution of home mortgage loans is good in the TN Non-MSA AA and adequate in the Memphis AA.

TN Non-MSA

The geographic distribution of home mortgage loans in the TN Non-MSA is good.

For the years 2015-2016, the Bank had no low-income geographies during this evaluation period to analyze. Performance is based on moderate-income and distressed middle-income geographies. Lending in moderate-income geographies exceeded the percentage of owner-occupied housing units and is near the aggregate lending in moderate-income geographies. The middle-income geographies are distressed due to poverty and unemployment and lending in those geographies is near the percentage for both the owner occupied housing units and the aggregate lending.

For 2017, FCNB had no loans in the one low-income geography that changed from a moderate-income geography during the 2015 Census change. The limited number of low-income geographies does not produce a meaningful analysis. Mortgage lending in the moderate-income geographies is significantly below both the percentage of owner occupied units and the aggregate lending data; however, there were only two moderate geographies due to the Census change (down from seven moderate-income geographies in 2015-2016). The middle-income geographies are distressed and lending in those geographies is near the percentage for both the owner occupied housing units and the aggregate lending.

Memphis TN-MS-AR MSA 32820

The geographic distribution of home mortgage loans in the Memphis MSA is adequate.

For the years 2015-2016, mortgage lending in the low-income geographies is significantly lower than the percentage of owner-occupied housing units and the aggregate lending data. For moderate-income geographies, the lending is near the percentage of owner-occupied housing units and exceeds the aggregate lending data.

In 2017, mortgage lending is somewhat lower than the percentage of owner-occupied housing units and exceeds the aggregate lending data. The Bank made no loans in the moderate-income geographies and is significantly below both the owner-occupied housing units and aggregate lending.

Small Loans to Businesses

Refer to Table Q in appendix C for the facts and data used to evaluate the geographic distribution of the Bank's origination/purchase of small loans to businesses.

The overall geographic distribution of small loans to businesses is good. Geographic distribution of small loans to businesses in the full-scope TN Non-MSA assessment area is good. The geographic distribution of small loans to businesses is adequate in the Memphis AA.

TN Non-MSA

The geographic distribution of the Bank's small loans to businesses is good.

For the years 2015-2016, there were no low-income geographies. The percentage of small loans to businesses in moderate-income geographies was near the percentage of businesses and exceeded the aggregate lending. The middle-income geographies are distressed and lending in those geographies is near the percentage for both the percentage of owner occupied housing units and the aggregate lending.

In 2017, the limited number of low-income geographies does not produce a meaningful analysis. The percentage of small loans to businesses in moderate-income geographies was near the percentage of businesses and exceeded the aggregate lending data. The middle-income geographies are distressed and lending in those geographies is near the percentage for both the percentage of owner occupied housing units and the aggregate lending.

Memphis TN-MS-AR-MSA 32820

The geographic distribution of the Bank's small loans to businesses is adequate.

For the years 2015 to 2016, the percentage of small loans to businesses for the low-income geographies was significantly lower than the percentage of businesses in the low-income geographies and was somewhat lower than the aggregate lending. Business lending in the moderate-income geographies was somewhat lower than both the percentage of businesses and the aggregate lending.

For 2017, the percentage of small loans to businesses for the low-income geographies is significantly lower than both the percentage of businesses and the aggregate lending data. Lending in the moderate-income geographies was somewhat lower than both the percentage of businesses in the moderate-income geographies and the aggregate lending.

Small Loans to Farms

Refer to Table S in appendix C for the facts and data used to evaluate the geographic distribution of the Bank's origination/purchase of small loans to farms.

The overall geographic distribution of small loans to farms is good. Geographic distribution of small loans to farms in the full-scope TN Non-MSA assessment area is good.

TN Non-MSA

The geographic distribution of the Bank's small loans to farms is good.

For 2015-2016, there were no low-income geographies. The percentage of small loans to farms in moderate-income geographies is significantly lower than the percentage of farm loans in those geographies and is somewhat lower than the aggregate lending. The middle-income geographies are distressed and lending in those geographies exceeds the percentage for both the percentage of farms and the aggregate lending.

In 2017, the limited number of low-income geographies does not produce a meaningful analysis. The percentage of small farm loans in moderate-income geographies was significantly below the percentage of farms and was near the aggregate lending data. The middle-income geographies are distressed and lending in those geographies is near the percentage for both the percentage of owner occupied housing units and the aggregate lending.

Memphis TN-MS-AR-MSA 32820

The geographic distribution of the Bank's small loans to farms is good.

For 2015-2016, farm lending is not a primary product in the Memphis MSA, but the bank had a meaningful volume of loans in the AA. The percentage of small loans to farms for both low-and moderate-income geographies exceeded the percentage of farm loans in those geographies and exceeded the aggregate lending.

For 2017, the volume of farm lending was too low to perform a meaningful analysis but two of nine loans made were in low-income geographies and none of the loans were in moderate-income geographies.

Lending Gap Analysis

There were no unexplained conspicuous gaps based on the geographic distribution of loans, branch locations, and the performance context.

Inside/Outside Ratio

This analysis is performed at the bank level rather than assessment area levels. A substantial majority of home mortgage, small loans to businesses, and small loans to farms originated or purchased by FCNB during the evaluation period are within the Bank's assessment area. By number, 85.26 percent of loans and 80.73 percent of the dollar amount are inside the Bank's overall assessment area. This level of performance was positively factored into the overall analysis of the distribution of loans by income level of the geography.

By product, 82.81 percent of home mortgage loans by number and 79.70 percent by dollar amount are inside the overall assessment area. For small loans to businesses, 87.36 percent of loans by number and 81.28 percent by dollar amount are inside the Bank's assessment area. For small loans to farms, 84.62 percent of loans by number and 82.67 percent by dollar amount are inside the Bank's assessment area.

Distribution of Loans by Income Level of the Borrower

Refer to Table P in appendix C for the facts and data used to evaluate the borrower distribution of the Bank's home mortgage loan originations and purchases.

Overall, the Bank's distribution of loans by income level of the borrower is good, given performance context. Both the distribution of home mortgage loans and the distribution of small loans to businesses are adequate. Overall borrower distribution is adequate in the TN Non-MSA and the Memphis MSA, given performance context.

Home Mortgage Loans

During the evaluation period, performance context issues made it difficult to provide home mortgage loans to low-income borrowers in the overall MSA assessment area. For this reason, more weight was given to lending to moderate-income borrowers in reaching our conclusions.

The lack of affordable housing inventory is a contributor to the Bank's limited origination of loans to low-income borrowers. The median housing value in the TN Non-MSA assessment area is above \$200,000, while poverty levels for the TN Non-MSA and Memphis AAs are 11 percent and 12 percent, respectively. Subsidies are still needed, particularly by low-income borrowers. High property taxes and homeowner's insurance costs also contribute to the inability of low-income and many moderate-income borrowers to become homeowners. Many lower priced homes are quickly purchased for cash by investors, further limiting the number of affordable homes available to low- and moderate-income buyers. The lower rates offered on the Federal Housing Authority (FHA) product offered by larger lenders is also a competitive factor that challenges FCNB's ability to originate to moderate-income buyers that meet FHA guidelines. In addition, it should be noted that the demand for refinance loans by low-income families is generally very limited. Many times low-income families have taken advantage of various subsidy programs and special mortgage products that have very low interest rates that would not make it necessary for them to refinance for a lower interest rate. Furthermore, some special programs do not allow for refinancing. For further discussion on performance context issues, please see the Market Profiles in Appendix B.

TN Non-MSA

The distribution of home mortgage loans by the income level of the borrower in the TN Non-MSA is good considering performance context.

For the years 2015 to 2016, the percentage of home mortgage loans to low-income borrowers is significantly below the percentage of low-income families and is near the aggregate lending in the TN Non-MSA AA. The percentage of home mortgage loans to moderate-income borrowers is near the percentage of moderate-income families and exceeds the home mortgage aggregate lending in the AA.

For 2017, the percentage of home mortgage loans to low-income borrowers is significantly below the percentage of low-income families and exceeds the aggregate lending in the TN Non-MSA AA. The percentage of home mortgage loans to moderate-income borrowers exceeds the percentage of moderate-income families and exceeds the home mortgage aggregate lending in the AA.

Memphis TN-MS-AR-MSA 32820

Given performance context, the distribution of home mortgage loans by income level of the borrower in the Memphis MSA is good.

For the years 2015 to 2016, the percentage of home mortgage loans to low-income borrowers is significantly below the percentage of low-income families and exceeds the 2016 aggregate lending in the Memphis MSA. The percentage of home mortgage loans to moderate-income borrowers is somewhat lower than the percentage of moderate-income families and near the home mortgage aggregate lending in the AA.

For 2017, the percentage of home mortgage loans to low-income borrowers is significantly below the percentage of low-income families and is near the aggregate lending in the TN Non-MSA AA. The percentage of home mortgage loans to moderate-income borrowers exceeds the percentage of moderate-income families and exceeds the home mortgage aggregate lending in the AA.

Small Loans to Businesses

Refer to Table R in appendix C for the facts and data used to evaluate the borrower distribution of the Bank's origination/purchase of small loans to businesses.

Overall, the borrower distribution of small loans to businesses is good. The borrower distribution of small loans to businesses in both the full-scope TN Non-MSA and the Memphis MSA is good.

TN Non-MSA

The distribution of small loans to businesses in the TN Non-MSA is good.

For the years 2015 to 2016, the Bank's percentage of small loans to small businesses (businesses with annual revenues of \$1 million or less) exceeds the percentage of small businesses located in the TN Non-MSA and the aggregate business lending.

For 2017, the Bank's percentage of small loans to small businesses (businesses with annual revenues of \$1 million or less) is somewhat lower than the percentage of small businesses located in the TN Non-MSA and the aggregate business lending.

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The distribution of small loans to businesses in the Memphis MSA is good.

For the years 2015 to 2016, the Bank's percentage of small loans to small businesses (businesses with annual revenues of \$1 million or less) is near the percentage of small businesses and exceeds the aggregate business lending.

For 2017, the Bank's percentage of small loans to small businesses (businesses with annual revenues of \$1 million or less) is significantly lower than the percentage of small businesses located in the TN Non-MSA and is near the aggregate business lending in the AA.

Small Loans to Farms

Refer to Table T in the appendix C for the facts and data used to evaluate the borrower distribution of the Bank's origination/purchase of small loans to farms.

Overall, the borrower distribution of small loans to farms is good. The borrower distribution of small loans to farms is good in the TN Non-MSA and excellent in the Memphis MSA.

TN Non-MSA

The distribution of small loans to farms in the TN Non-MSA is good.

For the years 2015 to 2016, the Bank's percentage of small loans to small farms (revenues of \$1million or less) is near the percentage of farms and exceeds the aggregate lending.

Memphis TN-MS-AR-MSA 32820

The distribution of small loans to small farms in the Memphis MSA is excellent.

The Bank's percentage of small loans to small farms exceeds both the percentage of small farms and the aggregate lending in both the TN Non-MSA and the Memphis MSA.

For 2017, the Bank had a low volume of farm loans that would not result in a meaningful analysis. However, the Bank had 7 loans out of 9 loans with revenues of \$1million or less.

Community Development Lending

Refer to Table 1 Lending Volume in appendix C for the facts and data used to evaluate the Bank's level of community development lending. This table includes all CD loans, including multifamily loans that also qualify as CD loans.

Overall, the Bank's community development lending activity in the TN Non-MSA assessment area is excellent and adequate in the Memphis MSA. CD lending had a positive impact on the overall Lending Test rating.

TN Non-MSA

FCNB has an excellent level of community development loans in the TN Non-MSA considering its leadership role in the TN Non-MSA. This performance had a positive impact on the overall Lending Test conclusion for the TN Non-MSA.

During the community development evaluation period, the Bank made 13 community development loans in the TN Non-MSA totaling \$12.9 million. FCNB originated 9 loans totaling \$10.7 million that revitalize and stabilize distressed and underserved geographies, 2 economic development loans totaling \$1.6 million, and 2 community service related loans totaling \$617 thousand. Noteworthy examples include:

- A \$2.1 million loan to purchase a shopping center in a moderate-income tract that is in close proximity to a large multifamily housing complex with tenants receiving Section 8 rental assistance for low and moderate income tenants.
- A \$1.6 million loan to construct a new medical clinic in a middle-income distressed or underserved geography that provides health care services that benefit low- and moderate-income people.
- A \$1.4 million refinance loan to support restaurants and grocery stores that provide services and jobs to low and moderate-income people in moderate-income and distressed or underserved middle-income geographies.

Memphis TN-MS-AR-MSA 32820

FCNB had one community development loan in the Memphis MSA. This performance had a neutral impact on the overall Lending Test. The Bank originated one community development loan in the amount of \$75 thousand to purchase and rehab a safe haven for abused women.

Product Innovation and Flexibility

The Bank uses flexible mortgage programs in a safe and sound manner to address the credit needs of low- or moderate income individuals or geographies as well as lending to small businesses. FCNB's use of flexible programs had a positive impact on conclusions under the Lending Test.

FCNB offers a standard product mix of loans including government-guaranteed loan programs such as the Federal Housing Administration (FHA), the Tennessee Housing Development Agency (THDA), the United States Department of Agriculture (USDA) Rural Development program, and the Farm Service Agency (FSA) Government Guaranteed program. In addition, FCNB participates in the Federal Home Loan Bank (FHLB)'s "Welcome Home" Grant Program and the Small Business Administration (SBA) government guaranteed program.

FHA offers lower interest rates and lower down payment requirements than a conventional home mortgage. The amortization periods range from 30, 20, and 15 years.

THDA offers Tennessee homebuyers a grant mortgage focused on low- and moderate-income buyers. Provides down payment and closing cost assistance, affordable monthly payments, lower interest rates for 30-year terms. Subject to availability of state funds and may be used for primary residence only.

RDA provides a government guaranteed loan designed to help lower income people in rural areas find opportunities for affordable housing. Offers low monthly payments and low interest rates for 30 year terms. Loans are subject to the availability of state funds and may be used for primary residence only.

FHLB "Welcome Home" Grants are designed to assist low- and moderate- income families in achieving home ownership. Offers up to \$5,000 for grant down payment and closing cost assistance and borrowers pay a minimum of \$500 out-of-pocket expense towards their purchase. First time home

buyers and repeat home buyers are both eligible. Product can be used in conjunction with the FHLB's low interest rate programs.

SBA 7(a) Loans offers loans for a variety of business needs including commercial real estate, construction or renovation, business acquisition and start-up franchise refinancing. Offers lower down payments and longer repayment terms for qualified small businesses.

SBA 504 Loans are designed for long-term, fixed-rate borrowing needs such as capital equipment and machinery, land and building purchases, new construction, long-term equipment purchase and more for qualified small businesses. Offers longer-term financing at competitive interest rates.

USDA Rural Development Loans can be used to buy equipment, land, buildings, or working capital. Applicants must demonstrate the ability to repay the loan and focus on creating new jobs or expanded employment opportunities in their respective community. Offers lower interest rates, fixed and variable rate financing, and longer terms (up to 30 years fully amortized) and low down payments.

FSA assists the Bank in providing operating lines, equipment loans, etc., to local farmers that would have otherwise been forced out of operation due to lack of funding from traditional lending sources.

During the evaluation period the Bank originated loans under the listed programs as follows:

Rural Development- 281 loans totaling \$7.9 million.

FHA/THDA- 54 loans totaling \$5.2 million.

FHLB "Welcome Home" Grants- \$4.2 million with \$137 thousand for down payment and closing costs (number of loans not available).

FSA- 102 loans totaling \$43.3 million

USDA- \$2 million for the years 2015-2016 (number of loans not available)

SBA- \$6.1 million for the years 2015-2016(number of loans not available)

USDA and SBA combined for 2017 amounted to \$4.5 million (number of loans not available).

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the Bank's performance under the Lending Test in the Nashville MSA 34980 and Jackson MSA 27180 is not inconsistent with the Bank's overall "High Satisfactory" performance under the Lending Test. The performance in the Chattanooga MSA 16860 and Cleveland MSA 17420 is weaker but adequate. Performance is weaker considering the Bank just entered the Chattanooga MSA in the third quarter of 2017 (a little over four months in the evaluation period) and has one banking office. The Bank entered the Cleveland MSA through acquiring three branches in the third quarter of 2016 and had not had sufficient time (a little over one year) to establish its brand during the evaluation period. Refer to Tables in Appendix C for the facts and data that support these conclusions.

INVESTMENT TEST

Conclusions for Areas Receiving Full-Scope Reviews

The Bank's performance under the Investment Test in Tennessee is rated "High Satisfactory." Based on the full-scope reviews, the Bank's performance in the TN Non-MSA is adequate and excellent in the Memphis MSA. Refer to Table 14 of Appendix D for the facts and data used to evaluate the Bank's level of qualified investments.

Investments were not considered innovative or complex but demonstrated good responsiveness to the credit and community economic development needs critical needs of the AA. The investments supported community development services targeted towards low-and moderate-income individuals in the Bank's AA's.

TN Non-MSA

Investment performance in the TN Non-MSA is good when considering the limited opportunities in the AA and the responsiveness of current and prior period investments. The Bank's current period investments included a CRAIX Qualified Investment Fund-Community Capital Management investment totaling \$500,000 and \$126,360 in qualifying donations. The 13 donations include the following: United Way, Dyer County High School and Dyersburg Community College, Public Library, YMCA, "Teach Banzai financial literacy toolkits, Senior Housing Crime Prevention Foundation (SHCPF) and The Bridge. The United Way provides community services for low-to-moderate income people. The High School and Community College scholarships provide scholarships to low-to-moderate income people. The Public Library provides educational services to low- and moderate-income (LMI) individuals. In addition to offering access to books and publications, the Library also provides area residents with access to computers and the Internet. The YMCA provides a Summer Feeding Program for low income areas, membership scholarships, and after school programs targeted at LMI youth. FCNB teamed up with "Teach Banzai" to provide a financial literacy toolkit to teachers and students. Teachers can go to the Banzai website, order the teaching materials and student handbooks. Each student will register for the class they are in and will go through the handbook guided by the teacher to learn budgeting and financial skills, including the importance of saving. After they complete the course, the student can be reset to use the Banzai toolkit to track their spending plan for years to come. The Bank provided 2100 literacy toolkits, valued at \$7,594 to schools in the TN Non-MSA AA. The SHCPF provides funding for local Housing and Urban Development (HUD) facilities housing low-to-moderate income people providing security services for valuables and personal items of local nursing home residents. The SHCPF also maintains a 24/7 tips hot line for reporting crimes and / or abuses of nursing home residents. The mission of "The Bridge" is to provide temporary housing to at risk women and their children from abusive situations by providing housing, food and ministry until they are able to sustain on their own.

The prior period investments include a general obligation bond, the proceeds were used to finance the acquisition of land for an industrial park; thus, creating jobs for low-to-moderate individuals. Seven out of 10 Census Tracts in Obion County was classified in June 2017 as "Distressed Nonmetropolitan Middle Income Geographies" due to the high unemployment rate. Another prior period investment included a City of Dyersburg School Bond. The bonds were issued for the acquisition of land for schools, and the construction, improvements, renovations and equipping schools. Three of the four schools located in the City of Dyersburg are located in moderate income census tracts. Over 50% of students in all four schools qualify for Free and Reduced Meals. Two additional investments were

GNMA pools secured by 17 loans to low- and moderate income borrowers located in the AA. The last prior period investment included a portion of a City of Dyersburg General Obligation bond designated specifically for School Capital Outlay for improvements. The school revitalization was to improve moderate-income tracts serving children of LMI families.

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Investment performance in the Memphis TN MSA is excellent when considering the impact of the MSA investment. The Memphis MSA current period investments total \$3.6 million. The investments consists of a FNMA Multi-Family pool, two GNMA pools and four of donations. The FNMA pool is secured by a multi-family property located in a moderate-income geography in the Memphis MSA. The two GNMA pools are secured by loans either made to low-to moderate-income borrowers and/or secured by property located in low- to moderate income census tracts.

The qualified donations for the TN Non-MSA totaled \$9,261. The 2017 qualified donations for the TN Non-MSA AA totaled \$4,631. Additionally, the financial literacy toolkits totaled \$11,282. The aggregate review period donations totaled \$25,175. The four donations include “Teach Banzai financial literacy toolkits and the Senior Housing Crime Prevention Foundation (SHCPF).

FCNB teamed up with “Teach Banzai” to provide a financial literacy toolkit to teachers and students. Teachers can go to the Banzai website to order the teaching materials and student handbooks. Each student will register for the class they are in and will go through the handbook guided by the teacher to learn budgeting and financial skills, including the importance of saving. After they complete the course, the student can be reset to use the Banzai toolkit to track their spending plan for years to come. The Bank provided 3,120 literacy toolkits, valued at \$11,282 to schools in the Memphis MSA AA.

The SHCPF provides funding for local HUD facilities housing low-to-moderate income people providing security services for valuables and personal items of local nursing home residents. The SHCPF also maintains a 24/7 tips hot line for reporting crimes and / or abuses of nursing home residents.

The prior period investments include three mortgage backed securities bond and two GNMA pools totaling \$2.8 million. The mortgage backed securities bonds consists of loans to low- to-moderate individuals. The two GNMA pools are secured by 13 loans to low- and moderate income borrowers located in the AA. The prior period investments continue to provide affordable housing for low- and moderate-income individuals.

Conclusions for Area Receiving Limited-Scope Reviews

Based on a limited-scope review, the Bank’s performance under the Investment Test in the Nashville Chattanooga, and Cleveland MSAs is weaker than the overall “High Satisfactory” performance under the investment test but is adequate. The branch in the Chattanooga MSA is new to the market and the acquired branches in the Cleveland MSA are also new in the market. For the Jackson MSA, the performance was stronger than the “High Satisfactory” performance under the Investment Test but not inconsistent with the excellent performance in the Memphis MSA.

SERVICE TEST

Conclusions for Areas Receiving Full-Scope Reviews

The Bank's performance under the Service Test in Tennessee is rated "High Satisfactory". Based on full-scope reviews, the Bank's performance is good in both the TN Non-MSA and in the Memphis MSA

Retail Banking Services

The Bank's retail service delivery systems are good and accessible to essentially all portions of the Bank's assessment areas. Refer to Table 15 in Appendix C for the facts and data used to evaluate the distribution of the Bank's branch delivery system and branch openings and closings.

TN Non-MSA

Delivery systems are accessible to essentially all portions of the TN Non-MSA. The Bank's performance in the TN Non-MSA is good. FCNB offices are accessible to geographies and individuals of different income levels in the AA. The Bank operates nine (9) full service branch offices in this AA including a full-service office in its corporate headquarters. All of the branches in this AA are full-service and there is one remote drive thru teller lane associated with the Bank's main downtown financial center in Dyersburg. In addition, all of the branches have drive thru teller lanes.

There are five branches in Dyer County, one in Lauderdale County, two in Obion County and one in Weakley County. Three of the AA's branches are located in upper-income geographies, five in middle-income geographies, and one in a moderate-income geography in Lauderdale County which is adjacent to a low-income geography. One of the Obion County branches (Union City) located in a middle-income geography is adjacent to a moderate-income geography. Lending activities indicate the bank has serviced the adjacent moderate-income geography. The Bank originated 15 business loans and 15 mortgage loans in the adjacent geography in 2016 and 14 business loans and three mortgage loans in 2017. The percentage of offices in moderate-income geographies exceeds the percentage of population residing in the moderate-income geographies. However, the bank had no branches in the one low-income geography in Lauderdale County that exists due to the 2015 Census change that became effective in 2017. The performance in the low-income geography is significantly below the percentage of the population residing in the low-income geography. The geography was a moderate-income geography during 2015 and 2016.

In 2017, two full-service branches in middle-income geographies in Dyer County and one branch in a middle-income geography in Obion County were located in distressed/underserved geographies. In 2016, the middle-income geographies where both the branches in Obion County were located contained geographies designated as distressed and underserved in 2016. Similarly, the one full-service branch in Weakley County was located in a distressed geography designated as such in 2016 in the middle-income geography.

Alternative delivery channels offered by FCNB in this AA include drive-thru teller lanes and off-site as well as on-site Automated Teller Machines (ATMs). All of the branches in the AA, including the Lauderdale branch located in a moderate-income geography with an adjacent low-income geography, offer full-service ATM access featuring deposit scanning of currency, checks and deposit slips. In addition, there are four off-site ATMs all located in middle- or upper-income geographies, two of

which accept deposits. FCNB also offers telephone and text banking, online banking and bill pay services, and mobile banking applications that allow check deposit, bill payment and funds transfer services using both Apple and Android operating systems. However, we placed no significant weight on these alternative delivery systems as the Bank does not maintain metrics to determine their effectiveness in helping to meet the credit needs of low-and moderate-income (LMI) geographies or LMI individuals.

The Bank does offer deposit products that target LMI individuals. These include the *Easy Access Account* which has no monthly fee for individuals receiving government assistance via direct deposit. The Bank currently has a total of 539 accounts in this program, of which 83 percent are associated with customers in this AA. The Bank also permits any *Electronic Benefits Transfer Program (EBT)* cardholder to access their government assistance programs free of charge and cash accounts at FCNB ATMs without a surcharge. However, we placed no significant weight on these alternative delivery systems as the Bank does not maintain metrics on the effectiveness of this program in helping to meet the credit needs of the target LMI individuals.

The opening and closing of branches has not adversely affected the accessibility of the Bank's delivery systems, particularly in low- and moderate-income geographies and/or to low- and moderate-income individuals. In 2016, the Bank closed one remote drive thru teller lane (not a branch) in Union City and transferred the lane to increase the number of lanes in the nearby full-service branch located in a middle-income geography. The impact of this closing was neutral. There were no branches opened during the evaluation period in the TN Non-MSA.

Branch office hours and the level of services available do not vary in a way that inconveniences certain portions of this AA, particularly low- and moderate-income geographies and/or individuals. Office hours and services offered by AA facilities do not vary from those offered in other AAs. The full service branches in the AA operate lobby and drive thru hours from 8:00 or 8:30 am to 4:00 or 5:00 pm Mondays through Thursdays, and on Fridays from 8:00 or 8:30 am to 5:00 pm. Saturday lobby hours are available in one of the branches (Green Village) from 8:00 am to 12:00 pm. For five of the branches in the AA, Saturday hours are available from 8:00, 8:30 or 9:00 am to 12:00 or 12:30 pm via drive thru teller lanes. Where drive thru teller lanes or lobby hours are not available on Saturdays, access to drive up and lobby ATMs is available. The Ripley branch located in a moderate-income geography in Lauderdale County offers drive thru teller service from 8:00 am to 12 pm on Saturdays. The Union City branch which is adjacent to a moderate-income geography also offers drive thru teller service from 8:30 am to 12:30 pm.

Memphis TN-MS-AR-MSA 32820

Delivery systems are accessible to essentially all portions of the Memphis TN-MS-AR-MSA 32820. The Bank's performance in the Memphis TN-MS-AR-MSA is good. The Bank's offices are accessible to geographies and individuals of different income levels in the AA. It operates seven (7) full service branches in the AA, five of which are located in upper income geographies with the remaining two located in middle-income geographies. The Bank's Bartlett branch in Shelby County is the closest branch to the LMI geographies north of the city in this AA. This branch as well as the Shelby County Millington branch which is also close to a moderate-income geography were established in 1999 and 1992 respectively and acquired by the Bank in 2003, indicating a long-established presence in this AA. All ATMs are on-site, full service ATMs that offer deposit scanning (currency, checks and deposit slips) services.

The percentage of branches located in LMI geographies is below the percentage of population residing in the MSA's LMI geographies. The Bank had no branches in low-income or moderate-income geographies. Even so, the bank has serviced adjacent and non-adjacent LMI geographies and the servicing is evident in its lending activities. In Shelby County, the Bank originated/purchased two home mortgage loans and three business loans inside its AA and five business loans and three home mortgage loans outside of its AA in LMI geographies in 2017. In 2016, the Bank originated/purchased 15 business loans and three home mortgage loans in its AA. In the same year, it originated/purchased 12 business loans outside of its AA in LMI geographies and one home mortgage loan. However, the Bank does not maintain metrics on the usage of the Millington and Bartlett branches by individuals in the nearby LMI geographies.

Alternative delivery channels offered by FCNB in this AA include drive thru teller lanes and on-site ATMs. All of the branches in the AA offer full-service ATM access featuring deposit scanning of currency, checks and deposit slips. There are no off-site ATMs in this AA. FCNB also offers telephone and text banking, online banking and bill pay services, and mobile banking applications that allow check deposit, bill payment and funds transfer services using both Apple and Android operating systems. However, we placed no significant weight on these alternative delivery systems as the Bank does not maintain metrics to determine their effectiveness in helping to meet the credit needs of LMI geographies or LMI individuals.

The Bank does offer deposit products that target LMI individuals in this MSA. These include the *Easy Access Account* which has no monthly fee for individuals receiving government assistance via direct deposit. Seven percent of these accounts were associated with customers in the MSA. The Bank also permits any EBT cardholder to access their government assistance programs free of charge and cash accounts at FCNB ATMs without a surcharge. However, we placed no significant weight on these alternative delivery systems as the Bank does not maintain metrics on the effectiveness of this program in helping to meet the credit needs of the target LMI individuals.

The opening and closing of branches has not adversely affected the accessibility of the Bank's delivery systems, particularly in low- and moderate-income geographies and/or to low- and moderate-income individuals. There has been one closure in this AA of a remote drive thru teller lane (not a branch) in Munford and the transfer of the lane to the Munford full service branch located in a middle-income geography in 2017. The impact of this drive thru teller lane closure was neutral. There were no branches opened during the evaluation period in the Memphis TN-MS-AR-MSA 32820.

Branch office hours and the level of services available do not vary in a way that inconveniences certain portions of this AA, particularly low- and moderate-income geographies and/or individuals. Office hours and services provided by AA facilities do not vary significantly from other AAs. Full service branches operate lobby and drive thru teller services from 8:30 am to 4:00 pm on Mondays through Thursdays, and 8:30 am to 5:00 pm on Fridays when drive thru service is available until 6:00 pm. There are no Saturday lobby or drive thru teller lane hours available in this AA, but full service, on-site ATM access is available. Research conducted by Bank management indicated no customer demand for Saturday services in the MSA.

Community Development Services

FCNB provides a relatively high level of community development services. Performance in the TN Non-MSA was excellent and good in the Memphis TN-MS-AR-MSA 32820.

TN Non-MSA

The level of CD services provided in the TN Non-MSA is excellent. FCNB serves as a leader in this AA in providing CD services and demonstrates an excellent responsiveness to meeting the needs of the community. During this evaluation period, FCNB employees provided financial services including workshops, financial literacy classes and participated in leadership roles in numerous community development organizations. Some noteworthy examples include the following:

- Bank employees taught 21 sessions of the financial literacy class to numerous organizations and individuals throughout the AA. Approximately 406 individuals attended these sessions. The types of financial education included the following: FDIC Money Smart, Basic Money Matters, fraud financial literacy training, and teach children to save.
- Bank employees counseled 38 homebuyers who were grant recipients. The homebuyers must complete credit/homebuyer counseling to qualify for the grants.
- The Bank participates in the “Teach Banzai” providing 2,100 financial literacy toolkits to local schools in the TN Non-MSA AA.
- The Bank participates in the HOSTS mentoring program at the Dyersburg Primary School and Dyersburg Intermediate School program. The student body at these two schools are comprised of 69% that qualify for the free Breakfast/Lunch program. During 2015-2017, 29 Bank employees mentored a total of 29 students.
- Twenty-six Bank representatives served as board or finance committee members to 20 qualified community development organizations. Some examples of these services include:
 - Served as chairman and committee member of the selection committee of an organization that provided affordable housing for LMI people,
 - Served on the board of directors of a non-profit organization that provides services to LMI people and at risk children, and
 - Served as a Board member for thirteen organizations that provides services to LMI people.

Memphis TN-MS-AR-MSA 32820

FCNB provides CD services and demonstrates a relatively high level of CD services that are responsiveness to meeting the needs of the community. One Bank representative serves as board member to one qualified community development organizations. During the evaluation period, FCNB employees provided financial services including workshops, financial literacy classes and participated in leadership roles in numerous community development organizations. Some specific examples include the following:

- Bank employees taught 5 sessions of the financial literacy class to numerous organizations and individuals throughout the AA. Approximately 25 individuals attended these sessions. The types of financial education included the following: FDIC Money Smart, Basic Money Matters, fraud financial literacy training, and teach children to save. The number of students reached in the teach children to save was not available.
- The Bank participates in the “Teach Banzai” providing 3,120 financial literacy toolkits to local schools in the Memphis AAs.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the Bank’s performance under the Service Test in the Chattanooga MSA, Nashville MSA 34980, and Jackson MSA 27180 is weaker than the overall “High Satisfactory” performance under the Service Test but adequate. The Chattanooga office was too new to have a record of performance just entering that market in the third quarter of 2017. The Nashville MSA 34980 has no LMI geographies. There is only one banking office in the Jackson MSA 27180 servicing a large assessment area. The Cleveland MSA 17420 is not inconsistent with the Bank’s overall “High Satisfactory” performance under the Service Test. However; the three banking offices in the Cleveland MSA 17420 were acquired in the third quarter of 2016. Refer to Table 15 in Appendix C for the facts and data that support these conclusions.

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”).

| | | |
|---|--|---|
| Time Period Reviewed | Lending Test (excludes CD Loans): 06/30/2015 to 12/31/2017 Investment and Service Tests and CD Loans: (09/10/2015 to 12/31/2017) | |
| Financial Institution | Products Reviewed | |
| First Citizens National Bank Dyersburg, Tennessee | Home mortgage loans (home purchase, home improvement, and refinance), small loans to businesses, small loans to farms, community development loans, investments, and services. | |
| Affiliate(s) | Affiliate Relationship | Products Reviewed |
| None | | |
| List of Assessment Areas and Type of Examination | | |
| Assessment Area | Type of Exam | Other Information |
| TN Non-MSA Memphis TN-MS-AR MSA 32820 Chattanooga TN-GA MSA 16860 Cleveland TN MSA 17420 Jackson TN MSA 27180 Nashville TN MSA 34980 | Full-Scope Full Scope Limited Scope Limited-Scope Limited-Scope Limited Scope | Dyer, Lauderdale, Obion, and Weakley Counties Fayette, Shelby, Tipton Hamilton County Bradley Madison County Williamson County |

Appendix B: Community Profiles for Full-Scope Areas

TN Non-MSA

| Table A – Demographic Information of the Assessment Area | | | | | | |
|--|---------|---------------|------------------------------|------------------|-----------------|---------------|
| Assessment Area: TN Non-MSA | | | | | | |
| Demographic Characteristics | # | Low % of # | Moderate % of # | Middle % of # | Upper % of # | NA* % of # |
| Geographies (Census Tracts) | 38 | 2.6 | 5.3 | 71.1 | 18.4 | 2.6 |
| Population by Geography | 131,025 | 2.7 | 5.4 | 71.5 | 18.4 | 2.0 |
| Housing Units by Geography | 58,182 | 3.2 | 5.6 | 71.8 | 18.8 | 0.7 |
| Owner-Occupied Units by Geography | 33,423 | 1.2 | 3.7 | 73.6 | 21.5 | 0.0 |
| Occupied Rental Units by Geography | 17,651 | 6.3 | 9.1 | 68.5 | 14.5 | 1.6 |
| Vacant Units by Geography | 7,108 | 4.3 | 5.7 | 71.4 | 16.8 | 1.8 |
| Businesses by Geography | 5,688 | 2.6 | 5.7 | 69.1 | 21.4 | 1.2 |
| Farms by Geography | 528 | 1.5 | 1.7 | 68.0 | 28.8 | 0.0 |
| Family Distribution by Income Level | 35,037 | 21.2 | 16.6 | 18.6 | 43.6 | 0.0 |
| Household Distribution by Income Level | 51,074 | 24.4 | 15.5 | 16.8 | 43.3 | 0.0 |
| Median Family Income Non-MSAs - TN | | \$46,254 | Median Housing Value | | | \$93,718 |
| | | | Median Gross Rent | | | \$593 |
| | | | Families Below Poverty Level | | | 15.7% |
| <i>Source: 2015 ACS Census and 2017 D&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> | | | | | | |

TN Non-MSA

The Bank's TN Non-MSA area consists of Dyer, Lauderdale, Obion, and Weakley Counties in Northwest Tennessee. The Bank's AA does not arbitrarily exclude any areas, particularly low- or moderate-income areas. FCNB provides a full range of loan and deposit products to the AA. FCNB has nine branches in the TN Non-MSA. In addition to its branches, ATMs are located at each location.

Competition for financial services within the TN Non-MSA is intense and includes several branches of regional banks, local community banks, credit unions and other nonbank financial service providers. As of June 30, 2017, the Federal Depository Insurance Corporation (FDIC) reports the Bank's deposits in the TN Non-MSA AA to total \$617.7 million or 45.98 percent of total deposits. FCNB ranked first out of 18 banks with a 27.78 percent market share within the TN Non-MSA.

According to the Bureau of Labor Statistics, the State of Tennessee unemployment rate for the evaluation period as of December 2015, 2016, and 2017 was 4.9 percent, 4.7 percent and 3.3 percent, respectively and represents a declining trend in unemployment. As presented in the table below, the unemployment rates of the counties that make up the TN Non-MSA are at higher levels than the state

unemployment rates but also reflect declining trends. The county rates are also generally higher than the United States unemployment rates.

| Unemployment Rates | December 2015 | December 2016 | December 2017 |
|---------------------------|----------------------|----------------------|----------------------|
| United States | 5.0 | 4.7 | 4.1 |
| Tennessee | 4.9 | 4.7 | 3.3 |
| Dyer County | 6.4 | 5.6 | 4.1 |
| Obion County | 7.6 | 6.9 | 4.5 |
| Lauderdale County | 8.3 | 7.2 | 5.1 |
| Weakley County | 5.4 | 5.1 | 3.6 |

Recovery from depressed economic conditions in the TN Non MSA has mostly lagged behind the United States and the State of Tennessee as a whole.

The major employers in the AA include manufacturing, automotive parts producers, and food industry companies. The largest employers include ERMCO (transformers distribution), Hillshire Brands (meat processing), NSK (automotive components) and Nordyne (heating, ventilation and air conditioning).

The poverty level is high at 15.7 percent for the TN Non-MSA. The high poverty level has impacted the assessment area including distressing some middle-income geographies in these rural counties comprising the Non-MSA at varying times during the evaluation period. The median family-income for the TN Non-MSA is \$46,254. Low- and moderate-income people have difficulty purchasing homes given that low-income people have incomes less than 50 percent of the median family income which is less than \$23,127 per year. Moderate-income people have incomes of less than 80 percent of the medium income but no less than 50 percent of the median family income for an income of \$23,127 to less than \$37,003. The median value of a home in the TN Non-MSA is \$93,718. Low- and moderate-income people would need subsidies to purchase a home considering the higher cost of owning a home including the added costs of property taxes and insurance.

There are numerous nonprofit organizations located in the AA. These organizations provide affordable housing, community services to LMI families, and support for economic development activities.

During the evaluation period, community contacts and local bank CRA performance evaluations, indicate that the primary needs of the assessment area are affordable housing lending, small business and farm lending, and financial literacy services for adults and students. FCNB has been responsive to the community needs and have offered lending programs and CD services to address the needs of the AA.

Memphis TN-MS-AR-MSA 32820

| Table A – Demographic Information of the Assessment Area | | | | | | |
|--|---------|---------------|------------------------------|------------------|-----------------|---------------|
| Assessment Area: Memphis TN-MS-AR-MSA 32820 | | | | | | |
| Demographic Characteristics | # | Low % of # | Moderate % of # | Middle % of # | Upper % of # | NA* % of # |
| Geographies (Census Tracts) | 95 | 9.5 | 12.6 | 29.5 | 48.4 | 0.0 |
| Population by Geography | 503,840 | 7.5 | 11.8 | 24.3 | 56.4 | 0.0 |
| Housing Units by Geography | 196,182 | 8.6 | 12.8 | 24.5 | 54.1 | 0.0 |
| Owner-Occupied Units by Geography | 123,639 | 4.0 | 8.7 | 24.5 | 62.8 | 0.0 |
| Occupied Rental Units by Geography | 55,265 | 15.3 | 19.0 | 24.7 | 41.0 | 0.0 |
| Vacant Units by Geography | 17,278 | 20.2 | 22.0 | 24.1 | 33.7 | 0.0 |
| Businesses by Geography | 25,366 | 4.9 | 8.7 | 25.9 | 60.5 | 0.0 |
| Farms by Geography | 915 | 2.3 | 6.7 | 39.9 | 51.1 | 0.0 |
| Family Distribution by Income Level | 130,701 | 17.4 | 13.2 | 17.1 | 52.3 | 0.0 |
| Household Distribution by Income Level | 178,904 | 18.3 | 12.9 | 15.5 | 53.3 | 0.0 |
| Median Family Income MSA - 32820 Memphis, TN-MS-AR MSA | | \$58,186 | Median Housing Value | | | \$161,727 |
| | | | Median Gross Rent | | | \$937 |
| | | | Families Below Poverty Level | | | 10.7% |
| <i>Source: 2015 ACS Census and 2017 D&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> | | | | | | |

The Memphis TN-MS-AR-MSA 32820 consists of Fayette, Shelby, and Tipton Counties excluding the City of Memphis due to the intense competition in the City limits. FCNB has seven branches in the Memphis MSA. Three of the four branches in Shelby County were acquired in 2003 with one established in 2005. The two branches in Tipton were also acquired in 2003. The one banking office in Fayette County was established in 2004. The Bank's AA does not arbitrarily exclude any areas, particularly low- or moderate-income areas. In addition to its branches, ATMs are located at each location.

FCNB provides a full range of loan and deposit products to the AA. Competition for financial services within the TN Non-MSA is intense and includes several branches of regional banks, local community banks, credit unions and other nonbank financial service providers. As of June 30, 2017, the Federal Depository Insurance Corporation (FDIC) reports the Bank's deposits in the Memphis MSA to total \$376.4 million or 28.02 percent of total deposits. FCNB ranked thirteenth out of 38 banks with a 1.46 percent market share.

According to the Bureau of Labor Statistics, the State of Tennessee unemployment rate for the evaluation period as of December 2015, 2016, and 2017 was 4.9 percent, 4.7 percent and 3.3 percent, respectively and represents a declining trend in unemployment. As presented in the table below, the unemployment rates of the counties that make up the Memphis MSA are at higher levels than the state unemployment rates but also reflect declining trends. The county rates are also generally higher than the United States unemployment rates.

| Unemployment Rates | December 2015 | December 2016 | December 2017 |
|---------------------------|----------------------|----------------------|----------------------|
| United States | 5.0 | 4.7 | 4.1 |
| Tennessee | 4.9 | 4.7 | 3.3 |
| Fayette County | 5.5 | 5.1 | 3.6 |
| Tipton County | 6.1 | 5.3 | 3.9 |
| Shelby County | 5.3 | 5.1 | 3.6 |

As with the TN Non-MSA, recovery from depressed economic conditions has mostly lagged behind the United States and the State of Tennessee as a whole.

The major employers in the AA include Fedex, Shelby County School System, Tipton County School Systems, Walmart, Panasonic Automotive Systems, Eaton Lighting Solutions, healthcare, and government services..

The poverty level is high at 10.7 percent. The median family-income for the TN Non-MSA is \$58,186. As with the TN Non-MSA, low- and moderate-income people have difficulty purchasing homes given that low-income people have incomes less than 50 percent of the median family income which is less than \$29,093 per year. Moderate-income people have incomes of less than 80 percent of the medium income but no less than 50 percent of the median family income for an income of \$29,093 to less than \$46,549. The median value of a home in the TN Non-MSA is \$161,727. Just as mentioned in the TN Non-MSA, low- and moderate- income people would need subsidies to purchase a home considering the higher cost of owning a home including the added costs of property taxes and insurance.

There are numerous nonprofit organizations including community development corporations located in the AA. These organizations provide affordable housing, community services to LMI families, businesses, and support for economic development activities.

During the evaluation period, community contacts and local bank CRA performance evaluations, indicate that the primary needs of the assessment area are affordable housing lending, small business and farm lending, and financial literacy services for adults and students. FCNB has been responsive to the community needs and have offered lending programs and CD services to address the needs of the AA.

Appendix C: Tables of Performance Data

Content of Standardized Tables

A separate set of tables is provided for each state. All multistate metropolitan areas 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 loans are treated as originations/purchases; (2) “aggregate” is the percentage of the aggregate number of reportable loans originated and purchased by all lenders in the MA/assessment area. Deposit data are compiled by the FDIC and are available as of June 30th of each year. Tables without data are not included in this PE. Tables are identified by both letters and numbers, which results from how they are generated in supervisory analytical systems. [Note: Do not renumber the tables.]

The following is a listing and brief description of the tables:

- Table 1. Lending Volume** - Presents the number and dollar amount of reportable loans originated and purchased by the Bank over the evaluation period by MA/assessment area. Community development loans to statewide or regional entities or made outside the Bank’s assessment area may receive positive CRA consideration. See Interagency Q&As __.12 (i) - 5 and - 6 for guidance on when a bank may receive positive CRA consideration for such loans. Refer to the CRA section of the Compliance Policy intranet page for guidance on table placement.
- Table 1. Other Products** - Presents the number and dollar amount of any unreported category of loans originated and purchased by the Bank over the evaluation period by MA/assessment area. Examples include consumer loans or other data that a bank may provide, at its option, concerning its lending performance. This is a two-page table that lists specific categories.
- 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 MA/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 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) throughout those geographies. Because 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 (less than or equal to \$1 million) originated and purchased by the Bank to businesses with revenues of \$1 million or less to the percentage distribution of businesses with revenues of \$1 million or less. In addition, the table presents the percentage distribution of the number of loans originated and purchased by the Bank by loan size, regardless of the revenue size of the business. The table also presents aggregate peer 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. Because 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 (less than or equal to \$500,000) originated and purchased by the Bank to farms with revenues of \$1 million or less to the percentage distribution of farms with revenues of \$1 million or less. In addition, the table presents the percentage distribution of the number of loans originated and purchased by the Bank by loan size, regardless of the revenue size of the farm. The table also presents aggregate peer 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 throughout those geographies.
- Table V. 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 to low-, moderate-, middle-, and upper-income borrowers to the percentage distribution of households by income level in each MA/assessment area.

Table 14. Qualified Investments - Presents the number and dollar amount of qualified investments made by the Bank in each MA/AA. The table separately presents investments made during prior evaluation periods that are still outstanding and investments made during the current evaluation period. Prior-period investments are reflected at their book value as of the end of the evaluation period. Current period investments are reflected at their original investment amount even if that amount is greater than the current book value of the investment. The table also presents the number and dollar amount of unfunded qualified investment commitments. In order to be included, an unfunded commitment must be legally binding and tracked and recorded by the Bank's financial reporting system.

A bank may receive positive consideration for qualified investments in statewide/regional entities or made outside of the Bank's assessment area. See Interagency Q&As __.12 (i) - 5 and - 6 for guidance on when a bank may receive positive CRA consideration for such investments. Refer to the CRA section of the Compliance Policy intranet page for guidance on table placement.

Table 15. Distribution of Branch Delivery System and Branch Openings/Closings - Compares the percentage distribution of the number of the Bank's branches in low-, moderate-, middle-, and upper-income geographies to the percentage of the population within each geography in each MA/AA. The table also presents data on branch openings and closings in each MA/AA.

Table 1. Lending Volume

| LENDING VOLUME | | Geography: TENNESSEE | | | | | | Evaluation Period: JULY 1, 2015 TO DECEMBER 31, 2017 | | | | |
|-----------------------------|-------------------------------------|----------------------|-----------|---------------------------|-----------|----------------------|-----------|--|-----------|----------------------|-----------|--------------------------------------|
| Assessment Area (2017): | % of Rated Area Loans (#) in MA/AA* | Home Mortgage | | Small Loans to Businesses | | Small Loans to Farms | | Community Development Loans** | | Total Reported Loans | | % of Rated Area Deposits in MA/AA*** |
| | | # | \$(000's) | # | \$(000's) | # | \$(000's) | # | \$(000's) | # | \$(000's) | |
| Full Review: | | | | | | | | | | | | |
| TN Non-MSA | 71.83 | 890 | 91,996 | 1,637 | 103,878 | 919 | 65,448 | 13 | 12,984 | 3,459 | 274,306 | 45.98 |
| Memphis TN-MS-AR MSA 32820 | 13.99 | 259 | 52,214 | 373 | 43,345 | 41 | 3,653 | 1 | 75 | 647 | 99,287 | 28.02 |
| Limited Review: | | | | | | | | | | | | |
| Chattanooga TN-GA MSA 16860 | 1.99 | 64 | 15,527 | 32 | 4,672 | 0 | 0 | 0 | 0 | 96 | 20,199 | 0.00 |
| Cleveland TN MSA 17420 | 7.99 | 287 | 42,615 | 91 | 12,919 | 5 | 774 | 2 | 2,106 | 385 | 58,414 | 17.09 |
| Jackson TN MSA 27180adj | 2.72 | 47 | 6,762 | 78 | 11,703 | 5 | 656 | 1 | 520 | 131 | 19,641 | 0.79 |
| Nashville TN MSA 34980 | 1.47 | 29 | 10,336 | 41 | 6,196 | 1 | 172 | 0 | 0 | 71 | 16,704 | 8.12 |

* Loan Data as of December 31, 2016. Rated area refers to either state or multi-state MA rating area.

** The evaluation period for Community Development Loans is from June 16, 2015 to December 31, 2017.

*** Deposit Data as of June 30, 2017. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

Table O : Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography **JULY 1, 2015-2016**

| 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 | |
| Full Review | | | | | | | | | | | | | | | | | | | | |
| TN Non-MSA | 557 | 58,120 | 68.3 | 2,596 | 0.0 | 0.0 | 0.0 | 14.1 | 14.7 | 13.4 | 64.5 | 59.8 | 61.9 | 21.4 | 25.5 | 24.7 | 0.0 | 0.0 | 0.0 | |
| Memphis TN-MS-AR-MSA 32820 | 170 | 33,146 | 20.9 | 18,833 | 3.8 | 0.6 | 1.6 | 8.6 | 6.5 | 3.8 | 25.6 | 32.4 | 18.9 | 62.0 | 60.6 | 75.7 | 0.0 | 0.0 | 0.0 | |
| Chattanooga TN-GA MSA 16860 | 3 | 380 | 0.5 | 12,312 | 3.9 | 33.3 | 2.8 | 10.5 | 0.0 | 9.1 | 39.0 | 66.7 | 33.5 | 46.5 | 0.0 | 54.6 | 0.0 | 0.0 | 0.0 | |
| Limited Review | | | | | | | | | | | | | | | | | | | | |
| Cleveland TN MSA 17420 | 38 | 5,252 | 6.6 | 3,510 | 2.8 | 5.3 | 2.6 | 4.8 | 5.3 | 4.3 | 59.2 | 50.0 | 51.7 | 33.3 | 39.5 | 41.4 | 0.0 | 0.0 | 0.0 | |
| Jackson TN MSA 27180 | 25 | 3,941 | 3.1 | 2,209 | 8.5 | 0.0 | 1.6 | 16.3 | 0.0 | 13.4 | 28.1 | 28.0 | 32.4 | 47.1 | 72.0 | 52.6 | 0.0 | 0.0 | 0.0 | |
| Nashville TN MSA 34980 | 22 | 7,831 | 2.7 | 13,546 | 0.0 | 0.0 | 0.0 | 2.9 | 4.5 | 1.6 | 9.0 | 4.5 | 6.8 | 88.1 | 90.9 | 91.7 | 0.0 | 0.0 | 0.0 | |
| Total | 815 | 108,670 | 100.0 | 53,006 | 3.1 | 0.5 | 1.4 | 8.9 | 11.8 | 5.4 | 32.9 | 51.2 | 24.0 | 55.1 | 36.6 | 69.2 | 0.0 | 0.0 | 0.0 | |

Source: 2010 U.S. Census; 07/01/2015 - 12/31/2016 Bank Data, 2016 HMDA Aggregate Data, "--" data not available.
 Due to rounding, totals may not equal 100.0

| Table O : Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography | | | | | | | | | | | | | | | | | | | | 2017 |
|--|----------------------------------|----------------|-------------------|-----------------------|--|---------------------|------------------|--|---------------------|------------------|--|---------------------|------------------|--|---------------------|------------------|--|---------------------|------------------|-------------|
| 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 | |
| Full Review | | | | | | | | | | | | | | | | | | | | |
| TN Non-MSA | 333 | 33,876 | 43.5 | 2,581 | 1.2 | 0.0 | 1.2 | 3.7 | 1.2 | 3.8 | 73.6 | 56.8 | 67.1 | 21.5 | 42.0 | 27.8 | 0.0 | 0.0 | 0.0 | |
| Memphis TN-MS-AR-MSA 32820 | 89 | 19,068 | 11.6 | 17,183 | 3.9 | 2.2 | 1.8 | 8.6 | 0.0 | 5.2 | 24.1 | 44.9 | 20.2 | 63.4 | 52.8 | 72.9 | 0.0 | 0.0 | 0.0 | |
| Limited Review | | | | | | | | | | | | | | | | | | | | |
| Chattanooga TN-GA MSA 16860 | 61 | 15,147 | 8.0 | 11,598 | 4.2 | 8.2 | 3.3 | 11.7 | 9.8 | 9.6 | 37.2 | 41.0 | 36.5 | 46.9 | 41.0 | 50.6 | 0.0 | 0.0 | 0.0 | |
| Cleveland TN MSA 17420 | 249 | 37,363 | 32.5 | 3,043 | 4.7 | 8.8 | 4.6 | 3.2 | 5.6 | 3.7 | 45.6 | 40.2 | 45.5 | 46.4 | 45.4 | 46.2 | 0.0 | 0.0 | 0.0 | |
| 2017Jackson TN MSA 27180 | 26 | 9,601 | 3.4 | 2,622 | 4.0 | 0.0 | 0.7 | 18.2 | 23.1 | 15.6 | 38.0 | 26.9 | 35.4 | 39.5 | 50.0 | 48.0 | 0.3 | 0.0 | 0.3 | |
| Nashville TN MSA 34980 | 7 | 2,505 | 0.9 | 11,328 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 13.8 | 28.6 | 11.0 | 86.2 | 71.4 | 89.0 | 0.0 | 0.0 | 0.0 | |
| Total | 765 | 117,560 | 100.0 | 48,355 | 3.2 | 3.8 | 1.8 | 7.8 | 3.9 | 5.4 | 32.9 | 47.5 | 26.9 | 56.1 | 44.8 | 65.9 | 0.0 | 0.0 | 0.0 | |
| <i>Source: 2015 ACS Census; 01/01/2017 - 12/31/2017 Bank Data, 2017 HMDA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0</i> | | | | | | | | | | | | | | | | | | | | |

| Table P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower | | | | | | | | | | | | | | | | | | | JULY 1, 2015-2016 | | |
|--|----------------------------------|----------------|-------------------|-----------------------|-----------------------------|---------------------|------------------|----------------------------------|---------------------|------------------|--------------------------------|---------------------|------------------|-------------------------------|---------------------|------------------|---------------------------------------|---------------------|--------------------------|--|--|
| Assessment Area: | Total Home Mortgage Loans | | | | Low-Income Borrowers | | | Moderate-Income Borrowers | | | Middle-Income Borrowers | | | Upper-Income Borrowers | | | Not Available-Income Borrowers | | | | |
| | # | \$ | % of Total | Overall Market | % Families | % Bank Loans | Aggregate | % Families | % Bank Loans | Aggregate | % Families | % Bank Loans | Aggregate | % Families | % Bank Loans | Aggregate | % Families | % Bank Loans | Aggregate | | |
| Full Review | | | | | | | | | | | | | | | | | | | | | |
| TN Non-MSA | 557 | 58,120 | 68.3 | 2,596 | 22.2 | 3.8 | 4.4 | 17.1 | 16.7 | 15.1 | 20.0 | 22.1 | 20.0 | 40.7 | 52.1 | 36.9 | 0.0 | 5.4 | 23.6 | | |
| Memphis TN-MS-AR-MSA 32820 | 170 | 33,146 | 20.9 | 18,833 | 17.2 | 4.1 | 2.5 | 13.6 | 10.0 | 10.1 | 17.5 | 19.4 | 16.4 | 51.7 | 60.0 | 42.6 | 0.0 | 6.5 | 28.3 | | |
| Limited Review | | | | | | | | | | | | | | | | | | | | | |
| Chattanooga TN-GA MSA 16860 | 3 | 380 | 0.5 | 12,312 | 20.9 | 0.0 | 5.0 | 15.5 | 33.3 | 16.4 | 19.3 | 33.3 | 17.8 | 44.3 | 33.3 | 39.1 | 0.0 | 0.0 | 21.7 | | |
| Cleveland TN MSA 17420 | 38 | 5,252 | 6.6 | 3,510 | 19.7 | 15.8 | 4.2 | 18.0 | 18.4 | 14.1 | 20.0 | 26.3 | 17.9 | 42.3 | 36.8 | 34.2 | 0.0 | 2.6 | 29.7 | | |
| Jackson TN MSA 27180 | 25 | 3,941 | 3.1 | 2,209 | 23.0 | 8.0 | 4.3 | 15.6 | 24.0 | 15.2 | 16.4 | 24.0 | 19.1 | 45.0 | 44.0 | 37.1 | 0.0 | 0.0 | 24.4 | | |
| Nashville TN MSA 34980 | 22 | 7,831 | 9.2 | 13,546 | 9.0 | 0.0 | 1.4 | 10.4 | 4.5 | 6.3 | 15.0 | 18.2 | 12.9 | 65.7 | 63.6 | 64.9 | 0.0 | 13.6 | 14.4 | | |
| Total | 815 | 108,670 | 100.0 | 53,006 | 17.9 | 4.4 | 3.1 | 14.4 | 15.3 | 11.3 | 18.0 | 21.7 | 16.2 | 49.7 | 53.0 | 46.4 | 0.0 | 5.5 | 22.9 | | |
| <i>Source: 2010 U.S. Census ; 07/01/2015 - 12/31/2016 Bank Data, 2016 HMDA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0</i> | | | | | | | | | | | | | | | | | | | | | |

| Table P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower | | | | | | | | | | | | | | | | | | | | 2017 |
|---|----------------------------------|----------------|-------------------|-----------------------|-----------------------------|---------------------|------------------|----------------------------------|---------------------|------------------|--------------------------------|---------------------|------------------|-------------------------------|---------------------|------------------|---------------------------------------|---------------------|------------------|-------------|
| | 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 | |
| Full Scope | | | | | | | | | | | | | | | | | | | | |
| TN Non-MSA | 333 | 33,876 | 43.5 | 2,581 | 21.2 | 5.4 | 5.2 | 16.6 | 19.2 | 16.0 | 18.6 | 26.1 | 18.8 | 43.6 | 45.9 | 35.8 | 0.0 | 3.3 | 24.3 | |
| Memphis TN-MS-AR-MSA 32820 | 89 | 19,068 | 11.6 | 17,183 | 17.3 | 2.2 | 2.8 | 13.2 | 14.6 | 10.3 | 17.2 | 16.9 | 16.7 | 52.3 | 64.0 | 45.0 | 0.0 | 2.2 | 25.1 | |
| Limited Review | | | | | | | | | | | | | | | | | | | | |
| Chattanooga TN-GA MSA 16860 | 61 | 15,147 | 8.0 | 11,598 | 20.2 | 3.3 | 4.8 | 17.0 | 13.1 | 14.6 | 18.9 | 14.8 | 19.5 | 44.0 | 39.3 | 42.1 | 0.0 | 29.5 | 19.0 | |
| Cleveland TN MSA 17420 | 249 | 37,363 | 32.5 | 3,043 | 22.2 | 8.0 | 4.3 | 16.8 | 20.9 | 13.2 | 18.4 | 24.9 | 20.1 | 42.6 | 44.2 | 35.5 | 0.0 | 2.0 | 26.9 | |
| 2017Jackson TN MSA 27180 | 26 | 9,601 | 3.4 | 2,622 | 21.3 | 0.0 | 5.0 | 17.0 | 26.9 | 15.1 | 18.1 | 15.4 | 20.4 | 43.5 | 50.0 | 39.2 | 0.0 | 7.7 | 20.4 | |
| Nashville TN MSA 34980 | 7 | 2,505 | 0.9 | 11,328 | 9.0 | 0.0 | 1.5 | 8.5 | 0.0 | 5.8 | 15.0 | 0.0 | 13.7 | 67.5 | 100.0 | 65.6 | 0.0 | 0.0 | 13.3 | |
| Total | 765 | 117,560 | 100.0 | 48,355 | 17.7 | 5.5 | 3.3 | 14.3 | 18.8 | 11.0 | 17.6 | 23.1 | 17.2 | 50.4 | 47.6 | 47.7 | 0.0 | 5.0 | 20.7 | |
| <i>Source: 2015 ACS Census ; 01/01/2017 - 12/31/2017 Bank Data, 2017 HMDA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0</i> | | | | | | | | | | | | | | | | | | | | |

| Table Q: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography | | | | | | | | | | | | | | | | | | | JULY 1, 2015-2016 | | |
|---|--|---------------|-------------------|-----------------------|--------------------------|---------------------|------------------|-------------------------------|---------------------|------------------|-----------------------------|---------------------|------------------|----------------------------|---------------------|------------------|------------------------------------|---------------------|--------------------------|--|--|
| 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 | | |
| Full Review | | | | | | | | | | | | | | | | | | | | | |
| TN Non-MSA | 1,033 | 61,874 | 76.3 | 2,245 | 0.0 | 0.0 | 0.0 | 18.3 | 17.0 | 14.7 | 60.2 | 52.0 | 60.8 | 21.6 | 31.0 | 24.5 | 0.0 | 0.0 | 0.0 | | |
| Memphis TN-MS-AR-MSA 32820 | 237 | 26,407 | 17.5 | 8,146 | 4.0 | 1.7 | 2.2 | 9.7 | 6.3 | 8.3 | 27.0 | 21.9 | 21.4 | 59.4 | 70.0 | 68.1 | 0.0 | 0.0 | 0.0 | | |
| Limited Review | | | | | | | | | | | | | | | | | | | | | |
| Chattanooga TN-GA MSA 16860 | 3 | 409 | 0.3 | 6,797 | 7.7 | 0.0 | 8.9 | 22.8 | 0.0 | 23.9 | 33.2 | 33.3 | 29.5 | 36.3 | 66.7 | 37.6 | 0.1 | 0.0 | 0.1 | | |
| Cleveland TN MSA 17420 | 12 | 1,261 | 1.3 | 1,213 | 3.6 | 0.0 | 3.8 | 8.2 | 0.0 | 6.5 | 48.5 | 58.3 | 46.7 | 39.7 | 41.7 | 43.0 | 0.0 | 0.0 | 0.0 | | |
| Jackson TN MSA 27180 | 42 | 5,756 | 3.1 | 1,423 | 15.7 | 19.0 | 18.8 | 30.0 | 16.7 | 22.3 | 22.0 | 16.7 | 21.6 | 32.3 | 47.6 | 37.3 | 0.0 | 0.0 | 0.0 | | |
| Nashville TN MSA 34980 | 26 | 3,635 | 2.7 | 7,366 | 0.0 | 0.0 | 0.0 | 5.4 | 15.4 | 4.6 | 13.0 | 0.0 | 11.2 | 81.5 | 84.6 | 84.2 | 0.0 | 0.0 | 0.0 | | |
| Total | 1,353 | 99,342 | 100.0 | 27,190 | 4.7 | 0.9 | 4.0 | 14.5 | 14.9 | 12.4 | 29.4 | 44.6 | 25.1 | 51.3 | 39.5 | 58.5 | 0.0 | 0.0 | 0.0 | | |
| <i>Source: 2016 D&B Data; 07/01/2015 - 12/31/2016 Bank Data; 2016 CRA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0</i> | | | | | | | | | | | | | | | | | | | | | |

| Table Q: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography | | | | | | | | | | | | | | | | | | | 2017 | |
|---|---------------------------------|---------------|--------------|----------------|-------------------|--------------|------------|------------------------|--------------|------------|----------------------|--------------|-------------|---------------------|--------------|-------------|-----------------------------|--------------|-------------|--|
| 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 | |
| Full Scope | | | | | | | | | | | | | | | | | | | | |
| TN Non-MSA | 604 | 42,004 | 67.1 | 2,245 | 2.6 | 0.8 | 1.0 | 5.7 | 4.6 | 3.4 | 69.1 | 59.4 | 71.6 | 21.4 | 34.9 | 23.8 | 1.2 | 0.2 | 0.1 | |
| Memphis TN-MS-AR-MSA 32820 | 136 | 16,938 | 15.1 | 8,146 | 4.8 | 0.7 | 2.7 | 8.6 | 4.4 | 6.5 | 25.5 | 19.1 | 22.2 | 61.1 | 75.7 | 68.6 | 0.0 | 0.0 | 0.0 | |
| Limited Review | | | | | | | | | | | | | | | | | | | | |
| Chattanooga TN-GA MSA 16860 | 29 | 4,263 | 3.2 | 6,797 | 8.2 | 3.4 | 8.1 | 15.8 | 10.3 | 13.6 | 35.7 | 34.5 | 36.3 | 40.1 | 51.7 | 41.8 | 0.3 | 0.0 | 0.2 | |
| Cleveland TN MSA 17420 | 79 | 11,658 | 8.8 | 1,213 | 8.8 | 5.1 | 7.3 | 12.2 | 7.6 | 9.3 | 48.4 | 41.8 | 44.0 | 30.6 | 45.6 | 39.4 | 0.0 | 0.0 | 0.0 | |
| 2017Jackson TN MSA 27180 | 37 | 6,394 | 4.1 | 1,663 | 3.7 | 0.0 | 2.3 | 29.8 | 27.0 | 23.2 | 30.4 | 21.6 | 27.2 | 28.5 | 40.5 | 34.0 | 7.7 | 10.8 | 13.3 | |
| | | | | | | | | | | | | | | | | | | | | |
| Nashville TN MSA 34980 | 15 | 2,561 | 1.7 | 7,366 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 12.3 | 6.7 | 11.0 | 87.7 | 93.3 | 89.0 | 0.0 | 0.0 | 0.0 | |
| Total | 900 | 83,818 | 100.0 | 27,430 | 4.9 | 1.2 | 3.4 | 10.5 | 5.9 | 7.4 | 30.4 | 48.6 | 28.0 | 53.5 | 43.8 | 60.4 | 0.7 | 0.6 | 0.9 | |

Source: 2017 D&B Data; 01/01/2017 - 12/31/2017 Bank Data; 2016 CRA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0

| Table R: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues | | | | | | | | | | | |
|---|--|-----------|-------------------|-----------------------|---|---------------------|------------------|--|---------------------|---|--------------------------|
| | | | | | | | | | | | JULY 1, 2015-2016 |
| 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 |
| Full Scope | | | | | | | | | | | |
| TN Non-MSA | 1,033 | 61,874 | 76.3 | 2,245 | 77.3 | 84.9 | 66.6 | 22.7 | 15.1 | 20.6 | 0.0 |
| Memphis TN-MS-AR MSA 32820 | 237 | 26,407 | 17.5 | 8,146 | 83.2 | 76.8 | 43.5 | 5.6 | 23.0 | 11.2 | 0.0 |
| Limited Review | | | | | | | | | | | 0.0 |
| Chattanooga TN-GA MSA 16860 | 3 | 409 | 0.3 | 6,794 | 82.7 | 100.0 | 42.6 | 6.0 | 0 | 11.3 | 0.0 |
| Cleveland TN MSA 17420 | 12 | 1,261 | 1.3 | 1,213 | 81.3 | 66.7 | 48.2 | 6.1 | 33.3 | 12.6 | 0.0 |
| Jackson TN MSA 27180 | 42 | 5,756 | 3.1 | 1,423 | 78.4 | 78.6 | 55.5 | 6.6 | 21.4 | 15.1 | 0.0 |
| Nashville TN MSA 34980 | 26 | 3,635 | 2.7 | 7,366 | 83.4 | 77.0 | 43.3 | 6.7 | 23.1 | 9.9 | 0.0 |
| <i>Source: 2015 D&B Data; 07/01/2015 - 12/31/2015 Bank Data; 2015 CRA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0</i> | | | | | | | | | | | |

| Table R: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues | | | | | | | | | | | | 2017 |
|---|--|---------------|-------------------|-----------------------|---|---------------------|------------------|--|---------------------|---|---------------------|-------------|
| 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 | |
| Full Review | | | | | | | | | | | | |
| TN Non-MSA | 604 | 42,004 | 67.1 | 2,245 | 76.0 | 41.5 | 66.0 | 6.2 | 8.5 | 17.7 | 0.0 | |
| Memphis TN-MS-AR MSA 32820 | 136 | 16,938 | 15.1 | 8,146 | 83.4 | 36.4 | 44.4 | 5.7 | 13.6 | 10.9 | 0.0 | |
| Limited Review | | | | | | | | | | | | |
| Chattanooga TN-GA MSA 16860 | 29 | 4,263 | 3.2 | 6,797 | 83.1 | 43.1 | 42.7 | 5.9 | 6.9 | 11.0 | 0.0 | |
| Cleveland TN MSA 17420 | 79 | 11,658 | 8.8 | 1,213 | 81.2 | 29.7 | 48.6 | 6.0 | 20.3 | 12.7 | 0.0 | |
| 2017Jackson TN MSA 27180 | 37 | 6,394 | 4.1 | 1,663 | 77.3 | 35.1 | 55.8 | 6.8 | 14.9 | 15.9 | 0.0 | |
| Nashville TN MSA 34980 | 15 | 2,561 | 1.7 | 7,366 | 83.9 | 33.3 | 43.8 | 6.5 | 16.7 | 9.6 | 0.0 | |
| Total | 900 | 83,818 | 100.0 | 27,430 | 82.4 | 39.3 | 46.5 | 6.0 | 10.7 | 11.6 | 0.0 | |
| <i>Source: 2017 D&B Data; 01/01/2017 - 12/31/2017 Bank Data; 2016 CRA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0</i> | | | | | | | | | | | | |

| Table S - Assessment Area Distribution of Loans to Farms by Income Category of the Geography | | | | | | | | | | | | | | | | | | | JULY 1, 2015-2016 | | |
|---|-----------------------------|---------------|-------------------|-----------------------|--------------------------|---------------------|------------------|-------------------------------|---------------------|------------------|-----------------------------|---------------------|------------------|----------------------------|---------------------|------------------|------------------------------------|---------------------|--------------------------|--|--|
| Assessment Area: | Total Loans to Farms | | | | Low-Income Tracts | | | Moderate-Income Tracts | | | Middle-Income Tracts | | | Upper-Income Tracts | | | Not Available-Income Tracts | | | | |
| | # | \$ | % of Total | Overall Market | % Farms | % Bank Loans | Aggregate | % Farms | % Bank Loans | Aggregate | % Farms | % Bank Loans | Aggregate | % Farms | % Bank Loans | Aggregate | % Farms | % Bank Loans | Aggregate | | |
| Full Scope | | | | | | | | | | | | | | | | | | | | | |
| TN Non-MSA | 573 | 40,606 | 94.2 | 671 | 0.0 | 0.0 | 0.0 | 10.2 | 3.5 | 6.6 | 63.7 | 74.5 | 66.9 | 26.1 | 22.0 | 26.5 | 0.0 | 0.0 | 0.0 | | |
| Memphis TN-MS-AR-MSA 32820 | 32 | 2,942 | 5.3 | 151 | 1.9 | 12.5 | 2.0 | 10.2 | 12.5 | 10.6 | 37.3 | 43.8 | 62.9 | 50.6 | 31.3 | 24.5 | 0.0 | 0.0 | 0.0 | | |
| Limited Review | | | | | | | | | | | | | | | | | | | | | |
| Chattanooga TN-GA MSA 16860 | 0 | 0 | 0.0 | 13 | 5.2 | 0.0 | 7.7 | 13.9 | 0.0 | 15.4 | 36.2 | 0.0 | 46.2 | 44.7 | 0.0 | 30.8 | 0.0 | 0.0 | 0.0 | | |
| Cleveland TN MSA 17420 | 2 | 410 | 0.5 | 16 | 1.1 | 0.0 | 0.0 | 1.1 | 0.0 | 0.0 | 66.8 | 50.0 | 68.8 | 31.1 | 50.0 | 31.3 | 0.0 | 0.0 | 0.0 | | |
| Jackson TN MSA 27180 | 1 | 68 | 0.2 | 28 | 8.7 | 0.0 | 10.7 | 13.5 | 0.0 | 3.6 | 26.0 | 0.0 | 21.4 | 51.9 | 100.0 | 64.3 | 0.0 | 0.0 | 0.0 | | |
| Nashville TN MSA 34980 | 0 | 0 | 0.0 | 32 | 0.0 | 0.0 | 0.0 | 2.3 | 0.0 | 6.3 | 20.7 | 0.0 | 21.9 | 77.1 | 0.0 | 71.9 | 0.0 | 0.0 | 0.0 | | |
| Total | 608 | 44,026 | 100.0 | 911 | 2.0 | 0.7 | 0.8 | 9.1 | 3.9 | 7.1 | 41.2 | 72.7 | 63.0 | 47.7 | 22.7 | 29.1 | 0.0 | 0.0 | 0.0 | | |
| <i>Source: 2016 D&B Data; 07/01/2015 - 12/31/2016 Bank Data; 2016 CRA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0</i> | | | | | | | | | | | | | | | | | | | | | |

| Table S - Assessment Area Distribution of Loans to Farms by Income Category of the Geography | | | | | | | | | | | | | | | | | | | | 2017 |
|--|----------------------|---------------|--------------|----------------|-------------------|--------------|------------|------------------------|--------------|------------|----------------------|--------------|-------------|---------------------|--------------|-------------|-----------------------------|--------------|------------|------|
| Assessment Area: | Total Loans to Farms | | | | Low-Income Tracts | | | Moderate-Income Tracts | | | Middle-Income Tracts | | | Upper-Income Tracts | | | Not Available-Income Tracts | | | |
| | # | \$ | % of Total | Overall Market | % Farms | % Bank Loans | Aggregate | % Farms | % Bank Loans | Aggregate | % Farms | % Bank Loans | Aggregate | % Farms | % Bank Loans | Aggregate | % Farms | % Bank Loans | Aggregate | |
| Full Review | | | | | | | | | | | | | | | | | | | | |
| TN Non-MSA | 346 | 24,842 | 94.5 | 671 | 1.5 | 0.0 | 0.0 | 1.7 | 0.6 | 0.9 | 68.0 | 54.6 | 66.2 | 28.8 | 44.8 | 32.9 | 0.0 | 0.0 | 0.0 | |
| Memphis TN-MS-AR-MSA 32820 | 9 | 711 | 2.5 | 151 | 2.3 | 22.2 | 2.0 | 6.6 | 0.0 | 3.3 | 39.4 | 55.6 | 71.5 | 51.7 | 22.2 | 23.2 | 0.0 | 0.0 | 0.0 | |
| Limited Review | | | | | | | | | | | | | | | | | | | | |
| Chattanooga TN-GA MSA 16860 | 0 | 0 | 0.0 | 13 | 4.5 | 0.0 | 7.7 | 12.1 | 0.0 | 15.4 | 39.6 | 0.0 | 23.1 | 43.9 | 0.0 | 53.8 | 0.0 | 0.0 | 0.0 | |
| Cleveland TN MSA 17420 | 3 | 364 | 0.8 | 16 | 1.6 | 0.0 | 0.0 | 2.6 | 0.0 | 0.0 | 43.2 | 66.7 | 37.5 | 52.6 | 33.3 | 62.5 | 0.0 | 0.0 | 0.0 | |
| 2017Jackson TN MSA 27180 | 7 | 847 | 1.9 | 48 | 0.5 | 0.0 | 0.0 | 13.6 | 57.1 | 6.3 | 44.0 | 14.3 | 47.9 | 38.0 | 28.6 | 39.6 | 3.8 | 0.0 | 6.3 | |
| Nashville TN MSA 34980 | 1 | 172 | 0.3 | 32 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 16.2 | 0.0 | 12.5 | 83.8 | 100.0 | 87.5 | 0.0 | 0.0 | 0.0 | |
| Total | 366 | 26,936 | 100.0 | 931 | 2.0 | 0.5 | 0.4 | 5.8 | 1.6 | 1.7 | 40.9 | 53.8 | 63.2 | 50.9 | 44.0 | 34.4 | 0.2 | 0.0 | 0.3 | |

Source: 2017 D&B Data; 01/01/2017 - 12/31/2017 Bank Data; 2016 CRA Aggregate Data, "--" data not available.
 Due to rounding, totals may not equal 100.0

| Table T: Assessment Area Distribution of Loans to Farms by Gross Annual Revenues | | | | | | | | | | | JULY 1, 2015-2016 | |
|---|-----------------------------|-----------|-------------------|-----------------------|--------------------------------------|---------------------|------------------|-------------------------------------|---------------------|--|--------------------------|--|
| Assessment Area: | Total Loans to Farms | | | | Farms with Revenues <= 1MM | | | Farms with Revenues > 1MM | | Farms with Revenues Not Available | | |
| | # | \$ | % of Total | Overall Market | % Farms | % Bank Loans | Aggregate | % Farms | % Bank Loans | % Farms | % Bank Loans | |
| Full Review | | | | | | | | | | | | |
| TN Non-MSA | 573 | 40,606 | 94.2 | 671 | 97.7 | 89.7 | 80.7 | 1.0 | 3.0 | 1.2 | 0.0 | |
| Memphis TN-MS-AR MSA 32820 | 32 | 2,942 | 5.3 | 151 | 94.1 | 100.0 | 51.5 | 3.9 | 0.0 | 1.9 | 0.0 | |
| Limited Review | | | | | | | | | | | | |
| Chattanooga TN-GA MSA 16860 | 0 | 0 | 0.0 | 13 | 96.7 | 0.0 | 38.5 | 1.7 | 0.0 | 1.7 | 0.0 | |
| Cleveland TN MSA 17420 | 2 | 410 | 0.5 | 16 | 96.0 | 50.0 | 62.5 | 2.3 | 50.0 | 1.8 | 0.0 | |
| 2017Jackson TN MSA 27180 | 1 | 68 | 0.2 | 28 | 94.5 | 100.0 | 60.4 | 2.1 | 0.0 | 3.5 | 0.0 | |
| Nashville TN MSA 34980 | 0 | 0 | 0.0 | 32 | 97.2 | 0.0 | 46.9 | 2.0 | 0.0 | 0.8 | 0.0 | |
| <i>Source: 2015 D&B Data; 07/01/2015 - 12/31/2015 Bank Data; 2015 CRA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0</i> | | | | | | | | | | | | |

| Table T: Assessment Area Distribution of Loans to Farms by Gross Annual Revenues | | | | | | | | | | | 2017 |
|---|-----------------------------|-----------|-------------------|-----------------------|--------------------------------------|---------------------|------------------|-------------------------------------|---------------------|--|---------------------|
| Assessment Area: | Total Loans to Farms | | | | Farms with Revenues <= 1MM | | | Farms with Revenues > 1MM | | Farms with Revenues Not Available | |
| | # | \$ | % of Total | Overall Market | % Farms | % Bank Loans | Aggregate | % Farms | % Bank Loans | % Farms | % Bank Loans |
| Full Review | | | | | | | | | | | |
| TN Non-MSA | 346 | 24,842 | 94.5 | 671 | 97.4 | 91.0 | 80.7 | 1.5 | 9.0 | 1.1 | 0.0 |
| Memphis TN-MS-AR MSA 32820 | 9 | 711 | 2.5 | 151 | 94.6 | 77.8 | 51.5 | 3.8 | 22.2 | 1.9 | 0.0 |
| Limited Review | | | | | | | | | | | |
| Chattanooga TN-GA MSA 16860 | 0 | 0 | 0.0 | 13 | 96.7 | 0.0 | 38.5 | 1.7 | 0.0 | 1.7 | 0.0 |
| Cleveland TN MSA 17420 | 3 | 364 | 0.8 | 16 | 96.9 | 33.3 | 62.5 | 2.1 | 66.7 | 1.8 | 0.0 |
| 2017Jackson TN MSA 27180 | 7 | 847 | 1.9 | 48 | 94.3 | 100.0 | 60.4 | 2.8 | 0.0 | 3.5 | 0.0 |
| Nashville TN MSA 34980 | 1 | 172 | 0.3 | 32 | 96.2 | 100.0 | 46.9 | 2.7 | 0.0 | 0.8 | 0.0 |
| <i>Source: 2017 D&B Data; 01/01/2017 - 12/31/2017 Bank Data; 2016 CRA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0</i> | | | | | | | | | | | |

Institution ID: FIRST CITIZENS NATIONAL BANK

(1000005263) (Included)

Table 14. Qualified Investments

| QUALIFIED INVESTMENTS | | Geography: TENNESSEE | | | | Evaluation Period: JULY 1, 2015 TO DECEMBER 31, 2017 | | | |
|--------------------------------|---------------------------|----------------------|----------------------------|-----------|-------------------|--|------------|------------------------|-----------|
| Assessment Area: | Prior Period Investments* | | Current Period Investments | | Total Investments | | | Unfunded Commitments** | |
| | # | \$(000's) | # | \$(000's) | # | \$(000's) | % of Total | # | \$(000's) |
| Full Review: | | | | | | | | | |
| TN Non-MSA | 7 | 3,027 | 14 | 626 | 21 | 3,653 | 32.87 | 0 | 0 |
| Memphis TN-MS-AR MSA 32820 | 5 | 2,783 | 7 | 3,582 | 12 | 6,365 | 57.28 | 0 | 0 |
| Limited Review: | | | | | | | | | |
| Chattanooga TN-GA MSA 16860 | 0 | 0 | 0 | 0 | 0 | 0 | 0.00 | 0 | 0 |
| Cleveland TN MSA 17420 | 0 | | 2 | 125 | 2 | 125 | 1.12 | 0 | 0 |
| Jackson TN MSA 27180adj | 2 | 182 | 3 | 238 | 5 | 420 | 3.78 | 0 | 0 |
| Nashville TN MSA 34980 | 1 | 128 | 3 | 422 | 4 | 549 | 4.95 | 0 | 0 |

* 'Prior Period Investments' means investments made in a previous 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.

Table 15. Distribution of Branch Delivery System and Branch Openings/Closings

| DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS | | | | | | | | | | | | | | | | | Geography: Evaluation Period: JULY 1, 2015 TO DECEMBER 31, 2017 | | | |
|---|--------------------------------|--------------------|--------------------------------|---|-------|--------|--------|--------------------------|----------------------|---|-----|-----|-----|---------------------------------------|-------|-------|--|--|--|--|
| Assessment Area: | Deposits | Branches | | | | | | Branch Openings/Closings | | | | | | Population | | | | | | |
| | % of Rated Area Deposits in AA | # of BANK Branches | % of Rated Area Branches in AA | Location of Branches by Income of Geographies (%) | | | | # of Branch Openings | # of Branch Closings | Net change in Location of Branches (+ or -) | | | | % of Population within Each Geography | | | | | | |
| | | | | Low | Mod | Mid | Upp | | | Low | Mod | Mid | Upp | Low | Mod | Mid | Upp | | | |
| Full Review: | | | | | | | | | | | | | | | | | | | | |
| *TN Non-MSA | 45.98 | 9 | 37.50 | 0.00 | 11.11 | 55.56 | 33.33 | 0 | 0 | 0 | 0 | 0 | 0 | 2.70 | 5.40 | 71.50 | 18.40 | | | |
| Memphis TN-MS-AR-MSA 32820 | 28.02 | 7 | 27.17 | 0.00 | 0.00 | 28.57 | 71.43 | 0 | 0 | 0 | 0 | 0 | 0 | 7.50 | 11.80 | 24.30 | 56.40 | | | |
| Limited Review: | | | | | | | | | | | | | | | | | | | | |
| Chattanooga TN-GA MSA 16860 | 0.00 | 1 | 4.17 | 0.00 | 0.00 | 100.00 | 0.00 | 1 | 0 | 0 | 0 | +1 | 0 | 8.80 | 13.50 | 35.90 | 41.80 | | | |
| Cleveland TN MSA 17420 | 17.09 | 3 | 12.50 | 0.00 | 0.00 | 66.67 | 33.33 | 0 | 0 | 0 | 0 | 0 | 0 | 10.80 | 6.40 | 44.40 | 38.40 | | | |
| *Jackson TN MSA 27180 | 0.79 | 1 | 4.17 | 0.00 | 0.00 | 0.00 | 100.00 | 0 | 0 | 0 | 0 | 0 | 0 | 7.50 | 24.20 | 31.60 | 35.30 | | | |
| Nashville TN MSA 34980 | 8.12 | 3 | 12.50 | 0.00 | 0.00 | 0.00 | 100.00 | 1 | 0 | 0 | 0 | | +1 | 0.00 | 0.00 | 15.30 | 84.70 | | | |

* For TN Non-MSA and the Jackson TN MSA 27180, 2.00% and 1.40%, respectively of the population is in geographies that have not been assigned an income classification