



# LARGE BANK

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Comptroller of the Currency  
Administrator of National Banks

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Washington, DC 20219

## PUBLIC DISCLOSURE

May 05, 2008

### COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

**First Citizens National Bank**  
**Charter Number: 5263**

**200 West Court Street**  
**Dyersburg, TN 38024**

**Office of the Comptroller of the Currency**

**Little Rock Field Office**  
**10201 West Markham, Suite 105**  
**Little Rock, AR 72205**

**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** with respect to the Lending, Investment, and Service Tests:

*[Indicate the performance level under each criterion by marking an “X” in the appropriate row.]*

Performance Levels	First Citizens National Bank Performance Tests		
	Lending Test*	Investment Test	Service Test
Outstanding			
High Satisfactory	X		
Low Satisfactory		X	X
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:

- ◆ FCNB’s lending activity reflects good responsiveness to the credit needs in both assessment areas.
- ◆ FCNB’s overall distribution of home mortgage loans, small loans to businesses, and small loans to farms by income level of geographies is poor. However, the geographic distribution of loans was performed only for the MSA area since there are **no** low- to moderate-income areas in the Non-MSA. In addition, only 18% of FCNB’s HMDA and CRA loans were in the MSA area.
- ◆ FCNB’s distribution of home mortgage loans by borrower income level is excellent for the MSA area and good for the Non-MSA area.
- ◆ FCNB’s distribution of small businesses by borrower income level is excellent in both assessment areas.
- ◆ FCNB’s distribution of small farms by borrower income level is good in the MSA and excellent in the Non-MSA.
- ◆ FCNB’s distribution of consumer loans by borrower income level is excellent in both assessment areas.

- ◆ FCNB's community development lending and flexible lending products are excellent in both the MSA and the Non-MSA.
- ◆ FCNB's level of investments and grants/donations is adequate given its size, resources, and opportunities in both assessment areas.
- ◆ FCNB's level of service is adequate. FCNB's branch network is reasonably accessible to low- and moderate-income geographies and individuals of different income levels.
- ◆ FCNB's level of community development services is adequate given its size, resources, and opportunities in both assessment areas.

## 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 usually have between 2,500 and 8,000 persons, and their physical size varies widely depending upon population density. Census tracts are designed to be homogeneous with respect to population characteristics, economic status, and living conditions to allow for statistical comparisons.

**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 the size eligibility standards of the Small Business Administration's Development Company or Small Business Investment Company programs (13 CFR 121.301) or have gross annual revenues of \$1 million or less; or, activities that revitalize or stabilize low- or moderate-income geographies.

Effective September 1, 2005, the Board of Governors of the Federal Reserve System, Office of the Comptroller of the Currency, and the Federal Deposit Insurance Corporation have adopted the following additional language as part of the revitalize or stabilize definition of community development. Activities that revitalize or stabilize-

- (i) Low- or moderate-income geographies;
- (ii) Designated disaster areas; or
- (iii) Distressed or underserved nonmetropolitan middle-income geographies designated by the Board, Federal Deposit Insurance Corporation, and Office of the Comptroller of the Currency, based on-
  - a. Rates of poverty, unemployment, and population loss; or
  - b. Population size, density, and dispersion. Activities that revitalize and stabilize geographies designated based on population size, density, and dispersion if they help to meet essential community needs, including needs of low- and moderate-income individuals.

**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 do business or have banking offices in a metropolitan statistical area to file annual summary reports of their mortgage lending activity. The reports include such data as the race, gender, and the income of applications, the amount of loan requested, and the disposition of the application (e.g., approved, denied, and withdrawn). Beginning in 2004, the reports also include additional data on loan pricing, the lien status of the collateral, any requests for pre-approval, 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 ten years and used to determine the income level category of geographies. Also, the median income determined by the Department of Housing and Urban Development 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 Metropolitan Statistical Area that contains a population of at least 2.5 million. A Metropolitan Division consists of one or more counties that represent an employment center or centers, plus adjacent counties associated with the main county or counties through commuting ties.

**Metropolitan Statistical Area:** An area, defined by the Office of Management and Budget, as having at least one urbanized area that has a population of at least 50,000. The Metropolitan Statistical Area comprises the central county or counties, plus adjacent outlying counties having a high degree of social and economic integration with the central county 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) and the Thrift Financial Reporting (TFR) 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's) is an intrastate bank headquartered in Dyersburg (Dyer County), TN. Dyersburg has a population of about 18,000 people according to the 2000 census, and is approximately 60 miles north of Memphis, Tennessee. First Citizens Bancshares, Inc., a financial holding company, owns FCNB.

FCNB has two separate assessment areas (AA): the Memphis Metropolitan Statistical Area (MSA) AA, and the Non-MSA. The Memphis MSA AA consists of Shelby County (excluding the City of Memphis), Fayette County, and Tipton County; and the Non-MSA consists of Dyer, Lauderdale, Obion, and Weakley Counties. Shelby, Fayette, and Tipton counties are contiguous; and Dyer, Lauderdale, Obion, and Weakley Counties are contiguous.

Based on the 2000 census, the FCNB MSA AA has 81 census tracts (CTs) with one low-income CT, 12 moderate-income CTs, 32 middle-income CTs, and 36 upper-income CTs. There are 33 block-numbering areas (BNA's) in the FCNB Non-MSA AA with 28 designated as middle-income and five upper-income areas. Agriculture represents a significant factor in the bank's Non-MSA AA. Dyer County alone has about 65% of its land devoted to agricultural production, and farming is its major industry.

Based on June 30, 2007, FDIC deposits report, approximately 70% of FCNB's deposits are in the Non-MSA area, with 30% of the deposits in the MSA, with most of deposits held in the former Munford Union Bank, which was acquired in early 2003. In Dyer County, FCNB has 64% of the total deposits. FCNB is ranked as the second largest depository institution in the Non-MSA, with about 24% of the AA total deposits. FCNB is ranked 7<sup>th</sup> in the MSA with about 3.88% of the deposits.

FCNB's lending activities are primarily in commercial real estate loans, and residential real estate loans. 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 as reported in the December 31, 2007 Report of Condition and Income is as follows:

<b>Loan Category</b>	<b>\$ (000)</b>	<b>%</b>
Commercial Real Estate Loans	273,192	47%
Residential Real Estate Loans	152,719	26%
Commercial Loans	65,490	11%
Agriculture Loans	56,875	10%
Consumer Loans	38,550	6%
	<b>586,826</b>	<b>100%</b>

Source: 12/31/2007 Call Report

Table 1

While loan dollar volume is centered in commercial and residential real estate loans, consumer loans comprised the largest number of loan originations during the evaluation period. As of December 31, 2007, the bank had total assets of \$876 million, Tier 1 Capital of \$73 million or 8.5%, and Tier 1 Risk-Based Capital of 11.5%.

FCNB has five subsidiaries; however, the bank did not request consideration of their activities in the evaluation of its performance. The activities of the subsidiaries consist of: brokerage, investments, insurance related products, credit insurance, and real estate participation interests.

There are no financial, legal, or other factors impeding FCNB ability to meet the credit needs of its community. The bank received a “**Satisfactory**” rating at the March 21, 2005, CRA performance evaluation.

## Scope of the Evaluation

### Evaluation Period/Products Evaluated

This examination covers FCNB's lending performance from January 1, 2005 to December 31, 2007. We reviewed small business and small farm loans; and home loans under the Home Mortgage Disclosure Act (HMDA) for these time periods. We also reviewed motor vehicle, other secured consumer, and other unsecured consumer loans for 2005 through 2007, as management chose to include these loans in the bank's performance evaluation. We reviewed activities from March 21, 2005, which is the date of the last CRA evaluation, to May 5, 2008, for Community Development Lending, the Investment Test, and the Service Test.

### Data Integrity

The accuracy of HMDA and small business/farm loans collected by the bank for 2007 was reviewed. The HMDA and small business/farm data were found to be accurate. Additionally, community development loans, qualified investments, and community development services were reviewed to determine if these activities met the regulatory definition for community development. HMDA and CRA loans are reviewed quarterly by the bank's internal audit with an additional audit performed annually. The bank has adequate written procedures for the preparation of HMDA and CRA loans prior to submission to the FFIEC. On a monthly basis, the HMDA/CRA documentation officer reviews all entries and makes corrections as necessary.

### Selection of Areas for Full-Scope Review

FCNB has two AA's. For this examination, Shelby County (excluding the City of Memphis), and Fayette and Tipton Counties will be designated as the FCNB MSA AA. Dyer, Lauderdale, Obion, and Weakley Counties will be designated as the FCNB Non-MSA AA. Shelby, Fayette, and Tipton counties are contiguous and are included in the Memphis MSA; and, Dyer, Lauderdale, Obion, and Weakley are contiguous with no low- or moderate-income areas based on the 2000 census. Please refer to Appendix A for more information on the two AA's.

### Ratings

The bank overall rating is based on two full-scope assessment areas: the Dyer, Lauderdale, Obion, and Weakley Counties Non-MSA AA; and the Fayette, Shelby, and Tipton Counties MSA AA. However, more weight is given to the Non-MSA area where 70% of the bank's deposits are held, and where 82% of the CRA small business/farm loans and HMDA reportable loans were made.

### Other

We conducted three community contacts during this examination, two in the Non-MA area and one in the MA area. We made our contacts with the executive directors of local business groups. Our contacts stated that area banks are satisfactorily meeting the basic credit needs of the community.

## **Fair Lending or Other Illegal Credit Practices Review**

### ***Conclusions***

A fair lending examination was conducted for First Citizen's National Bank beginning July 9, 2007. Overall, compliance with fair lending laws and regulations and the Fair Credit Reporting Act is good. There were no instances of illegal discrimination or violations of laws and regulations noted during the examination. The bank's internal controls for fair lending are effective.

### ***Scope***

The purpose of the examination was to assess the bank's compliance with the Equal Credit Opportunity Act (Regulation B) laws and regulations, as well as the Fair Credit Reporting Act. The bank's loan policy and the most recent internal audit of fair lending conducted in October 2006 were also reviewed. The products selected for the examination included home refinance loan applications from the bank's 2006 Home Mortgage Disclosure Act (HMDA) report. The sample included loans that were sold on the secondary market. The analysis focused on access to credit, reviewing the underwriting, and support for the credit decisions to deny credit to black applicants against the credit decisions to extend credit to white applicants.

## Conclusions with Respect to Performance Tests

### LENDING TEST

#### Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the lending test is rated "**High Satisfactory.**" Based on the full-scope reviews of the FCNB Non-MSA and FCNB MSA area, the bank's performance is considered to be good. Overall lending performance is excellent in the FCNB Non-MSA area and adequate in the FCNB MSA area. Lending performance in the Non-MSA area was given the most weight due to the high loan volume. First Citizens' performance of providing community development loans in both the Non-MSA and MSA is excellent

#### Lending Activity

Refer to Tables 1, Lending Volume, and 1, Other in Appendix C, for the facts and data used to evaluate the bank's lending activity.

FCNB's responsiveness to the credit needs in both assessment areas is good. FCNB is the dominant lender in the Dyer, Lauderdale, Obion, and Weakley Non-MA AA. Approximately 82% of the bank's loans evaluated for CRA are in this market. The bank's volume of loans to small businesses, including those secured by real estate, home mortgage loans, and loans to small farms is good. During this period, the loan-to-deposit ratio has remained relatively stable, averaging 86%. This performance was positively factored into the overall analysis of the lending activity.

#### Dyer, Lauderdale, Obion, and Weakley Non-MSA AA:

Loan volume in this assessment area is excellent with approximately 82% of the bank's loans for the reporting period. There are 17 other financial institutions in the FCNB's Non-MSA AA operating 65 offices. The bank has 24% of the deposit market share in Dyer, Lauderdale, Obion, and Weakley Non-MSA area based on the FDIC June 30, 2007, deposit market share report and ranks 2nd in this market. First State Bank, Union City, TN is ranked 1<sup>st</sup> with 28% of the deposit market share. Loan market share is based on 2006 peer data, with 2007 peer data not yet available. FCNB is ranked 1<sup>st</sup> for HMDA loans with a 13% market share for home loans. FCNB is ranked 1<sup>st</sup> with a 22% market share for small loans to businesses and is ranked 1<sup>st</sup> in small farm loans with a 68% market share for small loans to farms.

#### Fayette, Shelby, and Tipton MSA AA:

Loan volume in this assessment area is adequate with approximately 18% of the bank's loans for the reporting period. There are 33 other financial institutions in the FCNB's MSA AA operating 123 offices. The bank has 3.88% of the deposit market share in Fayette, northern Shelby, and Tipton MSA AA\_area based on the FDIC June 30, 2007, deposit market share report and ranks 7th in this market. Most of deposits are held in the former Munford Union Bank which was acquired in early 2003. First Tennessee Bank, NA is ranked 1<sup>st</sup> with 14% of the deposit market share. Loan market share is based on 2006 peer data, with 2007 peer

data not yet available. FCNB is ranked 40<sup>th</sup> for HMDA loans with a 0.56% market share for home loans. Countrywide Home Loans is ranked 1<sup>st</sup> for HMDA with 8.37% of the market share; FCNB is ranked 22<sup>nd</sup> with a 0.69% market share for small loans to businesses. American Express Bank, FSB is ranked 1<sup>st</sup> for small business loans with 33% of the market share. FCNB is ranked 3<sup>rd</sup> in small farm loans with a 16% market share. Capital One, FSB is ranked 1<sup>st</sup> for small business loans with 26% of the market share.

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

There were no low- and moderate-income areas in the Non-MSA area based on the 2000 census. The geographic distribution of loans was performed only for the MSA area. Approximately 82% of the HMDA and CRA reportable loans are in the Non-MSA with 18% are in the MSA area.

All of the low- and moderate-income areas in the bank's MSA area are located in Shelby County. The bank has no branches in the low- and moderate-income areas.

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

Refer to Tables 2, 3, and 4 in Appendix C for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations and purchases.

FCNB's overall distribution of home mortgage loans by income level of geographies for 2005 through 2007 is poor for the MSA area. More weight is given to the moderate-income areas since the one low-income census tract (CT) represents less than 0.50% of owner-occupied and small business/small farm.

### **MSA**

FCNB's home purchase lending is poor. The percentages of home purchase loans to low- and moderate-income CTs are lower than the percent of owner-occupied units. In addition, the bank's market shares in the low- and moderate-income CTs are lower than its overall market share.

FCNB's home improvement lending is poor. The percentages of home improvement loans to low- and moderate-income CTs are lower than the percent of owner-occupied units. In addition, the bank's market shares in the low- and moderate-income CTs are significantly lower than its overall market share (the bank has no market share in the low- and moderate-income areas).

FCNB's home refinance lending is poor. The percentages of refinance loans in the low- and moderate-income CTs are lower than the percent of owner-occupied units. In addition, the bank's market shares in the low- and moderate-income CTs are significantly lower than its overall market share (the bank has no market share in the low- and moderate-income areas ).

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

Refer to Table 6 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.

CNB's overall distribution of small loans to businesses by income level of geographies for 2005 through 2007 is poor for the MSA area.

### MSA

The geographic distribution of small loans to businesses is poor. FCNB's small business lending in the low- and moderate-income CTs is lower than the percentage of small businesses located in low- and moderate-income CTs. In addition, the bank's market shares in the low- and moderate-income CTs are lower than its overall market share.

### ***Small Loans to Farms***

Refer to Table 7 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.

FCNB's overall distribution of small farms loans by income level of geographies for 2005 through 2007 is poor for the MSA area.

### MSA

The geographic distribution of small loans to farms is very poor. There were no farm loans made in low- and moderate-income CTs in the MA area. However, all but one of the low- and moderate-income CTs are in Shelby County, which has limited areas for farm use.

### ***Consumer Loans***

Refer to Table 13 in Appendix C for the facts and data used to evaluate the geographic distribution of the bank's consumer loan originations and purchases.

FCNB's distribution of consumer loans (motor vehicle, other secured, and other unsecured) by income level of geographies is poor for the MSA area.

### MSA

The percentages of FCNB's consumer lending in the low- and moderate-income CTs are lower than the percentages of households in those CTs.

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

Our review of FCNB's lending activity found no unexplained or conspicuous gaps in the bank's geographic distribution of loans.

### ***Inside/Outside Ratio***

A substantial majority (90%) of the bank's overall lending activity during this evaluation period was within its AAs. This performance was positively factored into the overall analysis of the geographic distribution of lending by income level of the geography.

Home loan originations and purchases in the AA represent 89% of the bank's total home loan originations and purchases during the evaluation period. Of the total small loans to businesses, 89% were made within the bank's AAs. Small farm loans within the AAs constitute 84% of the total small farm lending activity during the evaluation period.

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

Our review of FCNB's distribution of loans by income level of the borrower was performed for 2005 through 2007 for the Non-MSA and MSA AA. The overall distribution of loans by income level of the borrower is excellent for both the Non-MSA and MSA AA.

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

Refer to Tables 7, 8, and 9 in Appendix C for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

#### Non-MSA

FCNB's distribution of home purchase loans by borrower income level is excellent. The percentage of bank loans to low-income borrowers is lower than the percentage of low-income families. However, the percentage of bank loans to moderate-income borrower exceeds the percentage of moderate-income families. More emphasis is given to moderate-income borrowers since low-income borrowers have less discretionary income for home purchase, home improvement, and home refinancing. In addition, the bank's market shares in the low-income CTs exceed its overall market share. The moderate-income CTs are near its overall market share.

FCNB's distribution of home improvement loans by borrower income level is good. The percentage of bank loans to low-income borrowers is somewhat lower than the percentage of low-income families. However, the percentage of bank loans to moderate-income borrower is near to the percentage of moderate-income families. In, addition, the bank's market shares in the low-income CTs is near its overall market share. The moderate-income CTs exceed its overall market share.

FCNB's distribution of home refinance loans by borrower income level is good. The percentage of bank loans to low-income borrowers is lower than the percentage of low-income families. However, the percentage of bank loans to moderate-income borrower is near to the percentage of moderate-income families. In, addition, the bank's market shares in the low- and moderate-income CTs are near its overall market share.

#### MSA

FCNB's distribution of home purchase loans by borrower income level is excellent. The percentage of bank loans to low-income borrowers is somewhat lower than the percentage of low-income families. However, the percentage of bank loans to moderate-income borrower exceeds the percentage of moderate-income families. More emphasis is given to moderate-income borrowers since low-income borrowers have less discretionary income for home purchase, home improvement, and home refinancing. In, addition, the bank's market shares in the low- and moderate-income CTs exceeds its overall market share.



FCNB's distribution of home improvement loans by borrower income level is excellent. The percentage of bank loans to low- and moderate-income borrowers exceeds the percentage of low- and moderate-income families. However, the bank's market shares in the low- and moderate-income CTs are significantly lower than its overall market share (the bank has no market share in the low- and moderate-income areas).

FCNB's distribution of home refinance loans by borrower income level is good. The percentage of bank loans to low-income borrowers is lower than the percentage of low-income families. However, the percentage of bank loans to moderate-income borrowers exceeds the percentage of moderate-income families. More emphasis is given to moderate-income borrowers since low-income borrowers have less discretionary income for home purchase, home improvement, and home refinancing. The bank's market shares in the low- income CTs is lower than its overall market share, but the moderate-income CTs exceeds its overall market share.

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

Refer to Table 11 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.

FCNB's distribution of small businesses by borrower income level is excellent for both assessment areas.

#### Non-MSA

FCNB's distribution of small loans to businesses with revenues of \$1 million or less is excellent. The percentage of the bank's small loans to these businesses exceeds the percentage of businesses with revenues of \$1 million or less in the bank's AA. In addition, the bank's loan market share to businesses with revenues of \$1 million or less exceeds its overall market share.

#### MSA

FCNB's distribution of small loans to businesses with revenues of \$1 million or less is excellent. The percentage of the bank's small loans to these businesses exceeds the percentage of businesses with revenues of \$1 million or less in the bank's AA. In addition, the bank's loan market share to businesses with revenues of \$1 million or less exceeds its overall market share.

### ***Small Loans to Farms***

Refer to Table 12 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 businesses.

FCNB's distribution of small farms by borrower income level is excellent for the Non-MSA area and good the MSA area.

Non-MSA

FCNB's distribution of small loans to farms with revenues of \$1 million or less is excellent. The percentage of the bank's small loans to these farms exceeds the percentage of farms with revenues of \$1 million or less in the bank's AA. In addition, the bank's loan market share to farms with revenues of \$1 million or less exceeds its overall market share.

MSA

FCNB's distribution of small loans to farms with revenues of \$1 million or less is good. The percentage of the bank's small loans to these farms is near to the percentage of farms with revenues of \$1 million or less in the bank's AA. In addition, the bank's loan market share to farms with revenues of \$1 million or less exceeds its overall market share.

**Consumer Loans**

Refer to Table 13 in Appendix C for the facts and data used to evaluate the borrower distribution of the bank's consumer loan originations and purchases.

FCNB's distribution of consumer loans by borrower income level is excellent in both assessment areas.

Non-MSA

FCNB's distribution of consumer loans to borrowers of different income levels is excellent. The percentage of loans to low-income borrowers is somewhat lower than the percentage of low-income households. The percentage of loans to moderate-income borrowers exceeds the percentage of moderate-income households.

MSA

FCNB's distribution of consumer loans to borrowers of different income levels is excellent. The percentages of loans to both low- and moderate-income borrowers exceed the percentages of both low- and moderate-income households.

**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.

The following chart represents community development loans granted since the prior CRA evaluation. Community development loans are those loans for which the primary purpose meets the definition of community development contained in CRA regulation and have not been considered in the review of small business, small farm, home purchase, home improvement, or home refinancing.

First Citizens performance of providing community development loans in both the Non-MSA and MSA is excellent. The bank has partnered with various agencies and groups in its AA to provide job creation for low -to moderate income individuals, affordable housing, and

revitalization in distressed and underserved areas. During the evaluation period, FCNB made 14 community development loans totaling \$7,417,883 and 254 flexible and innovative loan products totaling \$29,997,698. These loans represent about 51% of Tier 1 Capital. Since the prior evaluation the bank originated the following community development loans.

### **Non-MSA**

- ◆ Dyer County Industrial Development Board: First Citizens originated 3 loans totaling \$5,063,478 to the Board to complete construction of a building leased to a new automotive plant in Dyersburg. The company plans to hire up to 133 employees during the first 2 years of operation and expand to a workforce of 400 within 5 years. These loans help facilitate jobs to low-to moderate individuals in the county. Approximately 61% of the current employees are considered to be low- and moderate-income individuals.
- ◆ First Citizens originated a loan for \$1,199,109 to construct a landfill in Obion County which borders Lake County. The loan helped create jobs for low- to moderate-income employees. The company is located in Lake County that is one of the poorest counties in the country and designated as a distressed and under served area.
- ◆ The bank originated three additional community development loans totaling \$309,527 to other agencies in the Non-MSA that provided affordable housing and services for low- to moderate-income individuals.

### **MSA**

- ◆ First Citizens originated a \$413,600 loan for a real estate company to purchase 36 acres and develop a subdivision targeted to low- to moderate income individuals.
- ◆ Memphis Academy of Science and Engineering: The bank originated a loan for \$149,404 to the state chartered school for renovation. The school focuses on students from low-income areas of Memphis.
- ◆ Senior Housing Crime Prevention Foundation: The bank originated a \$100,000 loan to provide funding for crime prevention programs to low- to moderate-income residences in HUD multi-family complexes.
- ◆ Restorers United 501-3C program: First Citizens originated 4 loans totaling \$182,765 to construct 3 homes for low- to moderate-income families. These homes are located in a moderate income census tract number within the bank's AA.
- ◆ The bank originated two additional community development loans totaling \$40,223 to other agencies in the MSA that provided services to low- to moderate-income individuals.

### **Flexible and Innovative Loan Products**

First Citizens performance for providing flexible and innovative loan products is excellent. Products include various government sponsored loan programs and other specialty designed loan products that help meet the needs of low- to moderate-income individuals and small

flexible and innovative loan products totaling \$29,997,699. The following flexible and innovative loans were originated by First Citizens during the evaluation period.

- ◆ Federal Home Loan Bank (FHLB) Welcome Home Affordable Housing Program. First Citizens has participated in the FHLB program since 1998. This loan program is designed to help member institutions create owner-occupied housing opportunities for low- to moderate-income households. Under this program eligible borrowers can receive up to \$5,000 in down payment and closing cost assistance. FCNB originated 39 of these loans totaling \$2,617,153, with borrowers receiving \$156,019 in grants. The Non-MSA had 33 loans for \$2,005,767 and the MSA had 6 loans for \$611,386.
- ◆ Farm Service Agency (FSA) Guaranteed Loan Program. The FSA program provides the bank with some guarantee against loss and thereby allowing the bank to grant loans to agricultural borrowers that would not normally qualify under the bank's lending standards. There were 51 loans originated under this program totaling \$11,167,782. The Non-MSA had 48 loans for \$10,444,782 and the MSA had 3 loans for \$723,000.
- ◆ Tennessee Housing Development Authority (THDA) First Time Home Buyer Affordable Housing Loans. THDA offers a program to participating banks known as "Great Start" that allows first time home buyers 4% of loan proceeds to be used for down payment and closing cost. First time buyers also have the option under a separate THDA program known as "Great Rate" to obtain below market interest rates. FCNB originated 106 loans totaling \$7,896,959 to first time home buyers under both these programs. The Non-MSA had 71 loans for \$4,378,306 and the MSA had 35 loans for \$3,518,653.
- ◆ Small Business Administration (SBA) Loan Program. First Citizens is designated as a SBA Preferred Lender and participates in several SBA loan programs that provide loan opportunities to small businesses that would also not normally qualify under the bank's lending standards. These programs include Low Doc, 7A, Express, and 504. There were 5 loans originated under these programs totaling \$2,843,215. The Non-MSA had 4 loans for \$415,295 and the MSA had 1 loan for \$2,427,920.
- ◆ United States Department of Agriculture (USDA) Rural Development Guaranteed Housing Program. Loans under this program assist families and individuals to purchase homes in rural areas. There were 53 loans originated under this program totaling \$5,472,590. All were made in the Non-MSA AA.

## Product Innovation and Flexibility

The bank's flexible product is the Easy Access Account. This demand deposit account was designed primarily for low- and moderate-income individuals who receive direct deposits from Social Security and Supplementary Income. The account has no monthly service charges.

## INVESTMENT TEST

### Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Investment Test is rated "**Low Satisfactory.**" Based on full-scope reviews, the bank's performance in the Non-MSA and the MSA is adequate. Total qualifying investments purchased during the evaluation period include \$1.1 million in mortgage

backed securities, \$100 thousand for other bonds, and \$161 thousand total CRA-related grants and donations. Investments and grants/donations represent almost 2% of bank capital.

Refer to Table 13 in Appendix C for the facts and data used to evaluate the bank's level of qualified investments.

Qualifying investments are investments, deposits, membership shares, or grants that have as their primary purpose community development, as defined in the CRA regulation. FCNB's qualifying CD investments are centered in investments and grants/donations with the primary purpose of providing primarily low- and moderate-income individuals with continuing education and other qualifying social services.

### Non-MSA

FCNB has an adequate level of investments in the Non-MA given the investment opportunities noted in Appendix B. Qualified investments consist of one investment and 12 grants/donations totaling \$129 thousand and represent 0.2% of bank capital. These investments are responsive to the identified needs in this market and help provide a variety of services to low- and moderate-income individuals such as affordable housing, continuing education, and other qualifying social services.

- ◆ Senior Housing Crime Prevention Foundation, Memphis, TN. Since 2001, FCNB has invested in a \$100 thousand bond program. The bond was renewed January 15, 2008 for three-year at 4.25%. The bank and the foundation share equally in the yield on these bonds. The foundation provides funding for local HUD projects, which in turn, provide security services for valuables and personal items of local nursing home residents. The fund also helps maintain a tips hot line for reporting crimes and/or abuses of nursing home residents.
- ◆ FCNB made 12 various grants and donations totaling \$29 thousand to non-profit organizations that serve low- and moderate-income individuals and families.

### MSA

FCNB has an adequate level of investments in the Non-MA given the investment opportunities noted in Appendix B. Qualified investments consist of one investment and six grants/donations totaling \$1,186,000 and represent 1.6% of bank deposits.

- ◆ Mortgage Backed Securities. FCNB purchased a pool of eight loans totaling \$1,057,450 on July 5, 2007. All borrowers are low- or moderate-income borrowers within the Memphis MSA with five of the borrowers living inside the bank's MSA AA. The loan amount ranges from a low of \$60,700 to a high of \$192,000 with an average of about \$132,000. The borrowers' income ranges from 40% - 77% of the Memphis MSA Median Family Income for 2007.
- ◆ FCNB made six various donations and grants totaling \$32 thousand to non-profit organizations that serve low- and moderate-income individuals and families.

## SERVICE TEST

### Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Service test is rated "**Low Satisfactory.**" Based on full-scope reviews, FCNB's performance in the Non-MSA and the MSA is adequate.

### Retail Banking Services

Refer to Table 14 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.

The primary delivery system is the bank's branch network. In addition to its main office located in downtown Dyersburg, TN, FCNB also has 18 branches, all of which are full service. FCNB offers a variety of loan and deposit products, which are available at all branches. The availability of these products and services to low- and moderate-income census tracts and to low- and moderate-income individuals is adequate. Alternative delivery systems include ATMs, telephone banking, bank by mail, and Internet banking services. However, little weight was placed on the bank's alternative delivery systems to assign performance ratings. No data was available to judge the accessibility and effectiveness of these systems in delivering FCNB's products and services to low- and moderate-income census tracts and/or low- and moderate-income individuals. Since the last evaluation, no branches were closed, and one branch was opened. Banking hours are reasonable throughout FCNB's assessment areas. All branches have drive through service and extended hours on Fridays; some are also open a half-day on Saturdays, and most have on-site ATM's. The bank also has 14 stand-alone ATM's, all of which are located in middle- or upper-income census tracts.

#### Non-MSA

FCNB branch distribution in this AA provides individuals of different income levels reasonable access to FCNB's products and services. In addition to the main banking office, FCNB has 10 full service branches. The main bank office and three branches are located in the City of Dyersburg; three branches are located in Union City; and the remaining four branches are located in the cities of Martin, Newbern, Ripley, and Troy. There are no low- and moderate-income census tracts in this assessment area based on the 2000 census.

#### MSA

FCNB branch distribution in this AA provides individuals of different income levels reasonable access to FCNB's products and services. The branches in this AA are also reasonably accessible to low- and moderate-income geographies. Although no branches are located in low- and moderate-income tracts, most branches are reasonably accessible to low- and moderate-income census tracts. This AA has eight full service branches. FCNB has two branches located in the City of Munford and one each in the cities of Arlington, Atoka, Bartlett, Collierville, Millington, and Oakland. The Collierville branch opened in 2006.

### Community Development Services

FCNB has demonstrated an adequate level of community development service performance in both its AA's. Management has demonstrated a willingness to provide community development services by providing technical assistance to organizations and programs that promote/provide affordable housing, education, and health care services primarily to low- and moderate-income families. FCNB employees provide technical assistance and financial services by serving on boards, committees, or as members of 16 organizations that provide community service to low- and moderate-income individuals or families. Notable examples of the bank's participation in community development services are listed below:

Non-MSA

- ◆ Dyer County Housing Development Corporation: FCNB helped establish this corporation and provided the seed money to stimulate housing for low- and moderate-income people. The Senior Vice President and Vice President of Mortgage Lending serves on the committee providing assistance to clients, lending analysis, and financial operations assistance to the corporation.
- ◆ Habitat for Humanity of Dyer County: The Senior Vice President of Mortgage Lending and the Vice President of Mortgage Lending serve on the selection committee for applicants.
- ◆ National Teach Children to Save: A Vice President of the Ripley Financial Center located in Lauderdale County participated in the National Teach Children to Save at the Ripley Elementary School. Lauderdale County is considered to be a distressed area due to high poverty rate and unemployment rate.
- ◆ Nehemiah Independent Apartments, Dyersburg, TN: FCNB served as Member Bank for pass through of the Federal Home Loan Bank for affordable housing grant FCNB then provided the bridge loan to construct the facility at below market rates. Once the construction is completed, the applicant along with the bank providing the bridge loan must complete the necessary forms to draw down funds. FCNB not only monitors the project through the construction phase, but also agrees to complete an annual inspection for the FHLB to insure the facility is continuing to be utilized as affordable housing.
- ◆ Tennessee Bankers Association/Personal Economics Program: Five First Citizens employees received the 2006 Golden PEP Award making a total of 414 presentations on financial matters. In addition, 13 employees made a total of 143 presentations receiving a "Certificate of Outstanding Bank Participation."
- ◆ Volunteer Income Tax Preparation Site: First Citizens was instrumental in helping to establish a free income tax preparation site in Dyer County located at the Dyersburg State Community College campus library with the assistance of United Way, Dyersburg State Community College, social service organizations, and the IRS. The IRS, in collaboration with United Way of West TN and other organizations promoted increased awareness of the underused Earned Income Tax Credit (EITC) In order to qualify, applicants had to be low-to moderate income. In 2007 there were 31 filers served with 21 receiving EITC. In 2008 there were 111 filers served with 42 receiving EITC.

MSA

- ◆ Housing Fair: A Housing Fair was held by FCNB's home mortgage loan officers at the #2 St. John Missionary Baptist Church in Tiptonville, TN. An area home builder attended to answer questions as well as a representative from Rural Development. Twenty-two people attended the fair. These were all 1<sup>st</sup> time homebuyers. Items discussed were How to Fix Credit such as Annualcreditreport.com, the process of applying for a mortgage loan, Tennessee Housing Development Authority (THDA) First Time Home Buyer Affordable Housing Program grants that may be available for down payment and closing costs assistance, low interest rate loans, types of financing available, FHA, VA, THDA, Rural Development, Conventional, Grant Money, and construction loans. Applications were also passed out for pre-approvals.
  
- ◆ Volunteer Income Tax Preparation Site: First Citizens was instrumental in helping to establish a free income tax preparation site at the Dyersburg State Community College, Covington, Tipton County Campus with the assistance of United Way, Dyersburg State Community College, social service organizations, and the IRS. The IRS, in collaboration with United Way of West TN and other organizations, promoted increased awareness of the underused Earned Income Tax Credit (EITC). In order to qualify, applicants had to be low- to moderate-income. In 2008, there were 111 filers served.



## Appendix A: Scope of Examination

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

<b>Time Period Reviewed</b>	Lending Test (excludes CD Loans): (01/01/2005 to 12/31/2007) Investment and Service Tests and CD Loans: (03/21/2005 to 05/8/2008)	
<b>Financial Institution</b>	<b>Products Reviewed</b>	
FCNB Dyersburg, Tennessee	Small business, small farm, residential, consumer and community development loans	
<b>Affiliate(s)</b>	<b>Affiliate Relationship</b>	<b>Products Reviewed</b>
N/A	N/A	N/A
<b>List of Assessment Areas and Type of Examination</b>		
<b>Assessment Area</b>	<b>Type of Exam</b>	<b>Other Information</b>
FCNB Non-MSA AA	Full Scope	Dyer, Lauderdale, Obion, and Weakley Counties
FCNB MSA AA	Full Scope	Fayette, Shelby, and Tipton Counties

## Appendix B: Market Profiles for Full-Scope Areas

### FCNB Non-MSA AA: Dyer, Lauderdale, Obion, and Weakley Counties

#### FCNB 2007 NON-MSA

Demographic Information for Full Scope Area: FCNB 2007 NON-MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	33	0.00	0.00	84.85	15.15	0.00
Population by Geography	131,725	0.00	0.00	83.58	16.42	0.00
Owner-Occupied Housing by Geography	34,686	0.00	0.00	81.81	18.19	0.00
Business by Geography	9,973	0.00	0.00	80.82	19.18	0.00
Farms by Geography	619	0.00	0.00	83.20	16.80	0.00
Family Distribution by Income Level	36,136	19.52	16.72	21.47	42.28	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	13,098	0.00	0.00	86.64	13.36	0.00
Median Family Income HUD Adjusted Median Family Income for 2007 Households Below Poverty Level	36,945 43,100 17%	Median Housing Value (as of 2000) Unemployment Rate (as of February 2008)	66,274			
		USA State of Tennessee Dyer County Lauderdale County Obion County Weakley County	5.2% 5.8% 6.5% 8.8% 6.1% 6.6%			

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

Source: 2000 US Census and  
2007 HUD updated MFI

The FCNB Non-MSA AA consists of four contiguous counties in Northwest Tennessee: Dyer, Lauderdale, Obion, and Weakley. Based on the 2000 census, there are 33 block-numbering areas (BNA's) in the Non-MSA AA with 29 designated as middle-income (85%) and five designated as upper-income (15%).

There are a total of 17 financial institutions in the FCNB's Non-MSA AA operating 65 offices. Based on the June 2007 market share report data of the FDIC, the bank holds 24% of the total deposits of all reporting banks in the AA and ranks 2nd. In Dyer County, FCNB ranks 1<sup>st</sup> in market share with 64% of total deposits. Its deposit market share in Obion County is 14% and is ranked 3<sup>rd</sup>. Its deposit share in Lauderdale County is 6% and is ranked 7th. FCNB ranks 6th in Weakley County with a deposit market share of 5%.

All four counties have unemployment rates higher than the 5.8% of the State of Tennessee as of February 2008, with Lauderdale County the highest at 8.8%, Weakley County at 6.6%, Dyer County at 6.5%, and Obion County at 6.1%. The USA unemployment rate was 5.2% as of February 2008, non-seasonally adjusted.

A substantial portion of the Non-MA's economy and land use is still centered in agriculture. The labor force in the Non-MA is mostly distributed among agriculture, manufacturing, trade transportation, utilities, and government service.

To determine credit needs within the AA and community development opportunities, we contacted two representatives within the community and researched information on the Internet. Based on these resources, there is limited investment opportunities in the bank's AA.

**FCNB MSA AA: Fayette, Shelby, and Tipton Counties**

Institution ID: #5263

**FCNB 2007 MSA**

Demographic Information for Full Scope Area: FCNB 2007 MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	81	1.23	14.81	39.51	44.44	0.00
Population by Geography	415,116	0.50	17.37	35.64	46.50	0.00
Owner-Occupied Housing by Geography	112,623	0.29	12.85	34.50	52.36	0.00
Business by Geography	27,938	0.19	11.78	35.92	52.12	0.00
Farms by Geography	827	0.00	6.65	52.60	40.75	0.00
Family Distribution by Income Level	114,984	15.30	13.64	19.31	51.75	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	33,281	1.07	33.87	44.30	20.75	0.00
Median Family Income HUD Adjusted Median Family Income for 2007 Households Below Poverty Level		46,771 53,200 9%	Median Housing Value (as of 2000) Unemployment Rate (as of February 2008) USA State of Tennessee Fayette County Shelby County Tipton County		123,189  5.2% 5.8% 7.4% 5.9% 6.7%	

(\*) The NA category consists of geographies that have not been assigned an income classification.  
Source: 2000 US Census and 2007 HUD updated MFI

The FCNB Memphis MSA AA consists of three contiguous counties: Fayette, Shelby County (excluding the City of Memphis), and Tipton. Based on the 2000 census, the FCNB Memphis MSA AA has 87 census tracts (CTs) with one low-income CT (1%), 12 moderate-income CTs (15%), 32 middle-income CTs (40%), and 36 upper-income CTs 44%).

There are 57 other financial institutions in the FCNB'S MSA AA operating 414 offices. Based on the June 2007 market share report data of the FDIC, the bank holds only 3.88% of the total deposits of all reporting banks in the AA. FCNB deposit market share in Fayette County is 4%, with about 4% deposit market share in Shelby County (excluding the City of Memphis), and about 16% deposit market share in Tipton County.

All three counties in the bank's Memphis MA have unemployment rates higher than the 5.8% of the State of Tennessee as of February 2008 with Fayette County the highest at 7.4%, Tipton County at 6.7%, and Shelby County at 5.9%. The USA unemployment rate was 5.2% as of February 2008, non-seasonally adjusted. The non-farm work force is comprised primarily of trade, transportation, utilities, government, and professional and business services.

To determine credit needs within the AA and community development opportunities, we contacted a representative within the community and researched information on the Internet. Based on these resources, there are limited investment opportunities in the bank's AA

## Appendix C: Tables of Performance Data

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### Content of Standardized 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 and market share is the number of loans originated and purchased by the bank as a percentage of the aggregate number of reportable loans originated and purchased by all lenders in the MA/assessment area; (2) Partially geocoded loans (loans where no census tract is provided) cannot be broken down by income geographies and, therefore, are only reflected in the Total Loans in Core Tables 2 through 7 and part of Table 13; and (3) Partially geocoded loans are included in the Total Loans and % Bank Loans Column in Core Tables 8 through 12 and part of Table 13. Tables without data are not included in this PE.

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 2. Geographic Distribution of Home Purchase Loans** - 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 market share information based on the most recent aggregate market data available.
- Table 3. Geographic Distribution of Home Improvement Loans** - See Table 2.
- Table 4. Geographic Distribution of Home Mortgage Refinance Loans** - See Table 2.
- Table 5. Geographic Distribution of Small Loans to Businesses** - 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. The table also presents market share information based on the most recent aggregate market data available. Because small business 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 6. Geographic Distribution of Small Loans to Farms** - The percentage distribution of the number of small loans (less than or equal to \$500,000) to farms originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of farms (regardless of revenue size) throughout those geographies. The table also presents market share information based on the most recent aggregate market data available. 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 7. Borrower Distribution of Home Purchase Loans** - 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 market share information based on the most recent aggregate market data available.
- Table 8. Borrower Distribution of Home Improvement Loans** - See Table 8.
- Table 9. Borrower Distribution of Refinance Loans** - See Table 8.
- Table 10. Borrower Distribution of Small Loans to Businesses** - 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. Market share information is presented based on the most recent aggregate market data available.
- Table 11. Borrower Distribution of Small Loans to Farms** - 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. Market share information is presented based on the most recent aggregate market data available.
- Table 12. Geographic and Borrower Distribution of Consumer Loans (OPTIONAL)** - For geographic distribution, the table 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 within

each geography. For borrower distribution, the table 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 of households by income level in each MA/assessment area.

**Table 13. 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 14. 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.



Institution ID: #5263

Table 1. Lending Volume

LENDING VOLUME												Geography: TENNESSEE		Evaluation Period: JANUARY 1, 2005 TO DECEMBER 31, 2007	
MA/Assessment Area:	% 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)				
<b>Full Review:</b>															
FCNB 2007 MSA	18.28	522	67,796	573	47,418	78	7,641	54	8,167	1,173	122,855	30.12			
FCNB 2007 NON-MSA	81.72	1,764	137,683	2,166	152,634	1,314	87,214	216	29,289	5,244	377,531	69.88			

\* Loan Data as of December 31, 2007. Rated area refers to either state or multi-state MA rating area.

\*\* The evaluation period for Community Development Loans is from January 01, 2005 to December 31, 2007.

\*\*\* Deposit Data as of April 25, 2008. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

Institution ID: #5263

Table 1. Other Products

LENDING VOLUME		Geography: TENNESSEE								Evaluation Period: JANUARY 1, 2005 TO DECEMBER 31, 2007				
MA/Assessment Area:	% of Rated Area Loans (#) in MA/AA	Total Optional Loans**		Small Business Real Estate Secured**		Home Equity**		Motor Vehicle**		Credit Card**		Other Secured Consumer**		% of Rated Area Deposits in AA***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$(000's)	
<b>Full Review:</b>														
FCNB 2007 MSA	15.26	1,285	11,551	0	0	0	0	301	3,513	0	0	397	4,854	30.12
FCNB 2007 NON-MSA	84.74	7,137	60,677	0	0	0	0	1,425	18,407	0	0	1,626	18,315	69.88

\* Loan Data as of December 31, 2007. Rated area refers to either state or multi-state MA rating area.

\*\* The evaluation period for Optional Product Line(s) is from January 01, 2005 to December 31, 2007.

\*\*\* Deposit Data as of April 25, 2008. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

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Table 1. Other Products

LENDING VOLUME		Geography: TENNESSEE		Evaluation Period: JANUARY 1, 2005 TO DECEMBER 31, 2007	
MA/Assessment Area :	Other Unsecured Consumer Loans*		Other Optional Loans*		
	#	\$ (000's)	#	\$ (000's)	
<b>Full Review:</b>					
FCNB 2007 MSA	587	3,184	0	0	0
FCNB 2007 NON-MSA	4,086	23,955	0	0	0

\* The evaluation period for Optional Product Line(s) is from January 01, 2005 to December 31, 2007.

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Table2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE 2007		Geography: TENNESSEE						Evaluation Period: JANUARY 1, 2005 TO DECEMBER 31,							
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography				
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Overa ll	Low	Mod	Mid	Upp
<b>Full Review:</b>															
FCNB 2007 MSA	285	21.57	0.29	0.00	12.85	2.81	34.50	67.72	52.36	29.47	0.54	0.00	0.25	1.44	0.24
FCNB 2007 NON-MSA	1,036	78.43	0.00	0.00	0.00	0.00	81.81	67.08	18.19	32.92	15.55	0.00	0.00	13.94	20.41

\* Based on 2006 Peer Mortgage Data (Eastern)

\*\* Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

\*\*\*\* Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

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Table 3. Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT 2007			Geography: TENNESSEE						Evaluation Period: JANUARY 1, 2005 TO DECEMBER 31,						
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography				
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
FCNB 2007 MSA	20	7.60	0.29	0.00	12.85	5.00	34.50	65.00	52.36	30.00	0.47	0.00	0.00	0.86	0.20
FCNB 2007 NON-MSA	243	92.40	0.00	0.00	0.00	0.00	81.81	69.55	18.19	30.45	21.93	0.00	0.00	19.23	33.80

\* Based on 2006 Peer Mortgage Data (Eastern)

\*\* Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

\*\*\*\* Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

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Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE DECEMBER 31, 2007			Geography: TENNESSEE						Evaluation Period: JANUARY 1, 2005 TO						
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography				
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Overall	Low	Mod	Mid	Upp
<b>Full Review:</b>															
FCNB 2007 MSA	217	31.68	0.29	0.00	12.85	3.69	34.50	69.12	52.36	27.19	0.60	0.00	0.00	1.26	0.30
FCNB 2007 NON-MSA	468	68.32	0.00	0.00	0.00	0.00	81.81	69.87	18.19	30.13	7.28	0.00	0.00	6.18	11.72

\* Based on 2006 Peer Mortgage Data (Eastern)

\*\* Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

\*\*\*\* Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

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Table 5. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES 31, 2007		Geography: TENNESSEE								Evaluation Period: JANUARY 1, 2005 TO DECEMBER					
MA/Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% of Busines ses***	% BANK Loans	% of Busines ses***	% BANK Loans	% of Busines ses***	% BANK Loans	% of Busines ses***	% BANK Loans	Overall	Low	Mod	Mid	Upp
<b>Full Review:</b>															
FCNB 2007 MSA	573	20.92	0.19	0.00	11.78	3.14	35.92	55.85	52.12	41.01	0.69	0.00	0.22	1.40	0.64
FCNB 2007 NON-MSA	2,166	79.08	0.00	0.00	0.00	0.00	80.82	65.24	19.18	34.76	21.75	0.00	0.00	19.26	31.41

\* Based on 2006 Peer Small Business Data -- US and PR

\*\* Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

\*\*\* Source Data - Dun and Bradstreet (2007).

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Table 6. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL LOANS TO FARMS DECEMBER 31, 2007		Geography: TENNESSEE								Evaluation Period: JANUARY 1, 2005 TO					
MA/Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography				
	#	% of Total**	% of Farms***	% BANK Loans	% of Farms* **	% BANK Loans	% of Farms* **	% BANK Loans	% of Farms* **	% BANK Loans	Overa ll	Low	Mod	Mid	Upp
<b>Full Review:</b>															
FCNB 2007 MSA	78	5.60	0.00	0.00	6.65	0.00	52.60	85.90	40.75	14.10	16.23	0.00	0.00	25.74	6.67
FCNB 2007 NON-MSA	1,314	94.40	0.00	0.00	0.00	0.00	83.20	62.40	16.80	37.60	67.89	0.00	0.00	61.78	82.59

\* Based on 2006 Peer Small Business Data -- US and PR

\*\* Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.

\*\*\* Source Data - Dun and Bradstreet (2007).



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Table 7. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE		Geography: TENNESSEE								Evaluation Period: JANUARY 1, 2005 TO DECEMBER 31, 2007					
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share				
	#	% of Total**	% Families***	% BANK Loans****	% Families <sup>1</sup>	% BANK Loans**	% Families***	% BANK Loans****	% Families**	% BANK Loans****	Overall	Low	Mod	Mid	Upp
<b>Full Review:</b>															
FCNB 2007 MSA	285	21.57	15.30	8.61	13.64	17.60	19.31	29.96	51.75	43.82	0.60	1.00	0.66	0.65	0.52
FCNB 2007 NON-MSA	1,036	78.43	19.52	8.41	16.72	17.50	21.47	21.31	42.28	52.79	18.20	21.43	15.00	15.76	20.54

\* Based on 2006 Peer Mortgage Data (Eastern)

\*\* As a percentage of loans with borrower income information available. No information was available for 2.3% of loans originated and purchased by bank.

\*\*\* Percentage of Families is based on the 2000 Census information.

\*\*\*\* Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

<sup>1</sup> Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

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Table 8. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT DECEMBER 31, 2007		Geography: TENNESSEE								Evaluation Period: JANUARY 1, 2005 TO					
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share				
	#	% of Total**	% Famili es***	% BANK Loans****	% Families <sup>2</sup>	% BANK Loans****	% Families* **	% BANK Loans****	% Families* **	% BANK Loans****	Overall	Low	Mod	Mid	Upp
<b>Full Review:</b>															
FCNB 2007 MSA	20	7.60	15.30	16.67	13.64	22.22	19.31	27.78	51.75	33.33	0.39	0.00	0.00	0.00	0.74
FCNB 2007 NON- MSA	243	92.40	19.52	12.61	16.72	14.35	21.47	17.83	42.28	55.22	21.33	17.02	24.29	15.63	25.00

\* Based on 2006 Peer Mortgage Data (Eastern)

\*\* As a percentage of loans with borrower income information available. No information was available for 5.7% of loans originated and purchased by bank.

\*\*\* Percentage of Families is based on the 2000 Census information.

\*\*\*\* Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

<sup>2</sup> Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

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Table 9. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE DECEMBER 31, 2007			Geography: TENNESSEE						Evaluation Period: JANUARY 1, 2005 TO						
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share				
	#	% of Total**	% Families***	% BANK Loans****	% Families <sup>3</sup>	% BANK Loans****	% Families* **	% BANK Loans****	% Families* **	% BANK Loans**	Overa ll	Low	Mod	Mid	Upp
<b>Full Review:</b>															
FCNB 2007 MSA	217	31.68	15.30	2.31	13.64	18.06	19.31	24.54	51.75	55.09	0.74	0.19	0.99	0.77	0.73
FCNB 2007 NON-MSA	468	68.32	19.52	7.25	16.72	14.73	21.47	23.96	42.28	54.07	8.41	8.33	7.77	7.95	8.91

\* Based on 2006 Peer Mortgage Data (Eastern)

\*\* As a percentage of loans with borrower income information available. No information was available for 2.0% of loans originated and purchased by bank.

\*\*\* Percentage of Families is based on the 2000 Census information.

\*\*\*\* Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.

<sup>3</sup> Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

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Table10. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES 31, 2007				Geography: TENNESSEE			Evaluation Period: JANUARY 1, 2005 TO DECEMBER		
MA/Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Market Share	
	#	% of Total <sup>**</sup>	% of Businesses <sup>***</sup>	% BANK <sup>****</sup> Loans	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev\$ 1 Million or Less
<b>Full Review:</b>									
FCNB 2007 MSA	573	20.92	61.28	82.90	81.50	9.95	8.55	0.69	1.67
FCNB 2007 NON-MSA	2,166	79.08	46.79	83.52	82.64	11.45	5.91	21.75	37.28

<sup>\*</sup> Based on 2006 Peer Small Business Data -- US and PR

<sup>\*\*</sup> Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

<sup>\*\*\*</sup> Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B - 2007).

<sup>\*\*\*\*</sup> Small loans to businesses with revenues of \$1 million or less as a percentage of all loans reported as small loans to businesses. No information was available for 0.00% of small loans to businesses originated and purchased by the bank.

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Table 11. Borrower Distribution of Small Loans to Farms

Borrower Distribution: SMALL LOANS TO FARMS		Geography: TENNESSEE			Evaluation Period: JANUARY 1, 2005 TO DECEMBER 31, 2007				
MA/Assessment Area:	Total Small Loans to Farms		Farms With Revenues of \$1 million or less		Loans by Original Amount Regardless of Farm Size			Market Share	
	#	% of Total**	% of Farms***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev\$ 1 Million or Less
<b>Full Review:</b>									
FCNB 2007 MSA	78	5.60	95.16	83.33	71.79	19.23	8.97	16.23	18.79
FCNB 2007 NON-MSA	1,314	94.40	97.25	97.18	77.85	17.66	4.49	67.89	68.79

\* Based on 2006 Peer Small Business Data -- US and PR

\*\* Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.

\*\*\* Farms with revenues of \$1 million or less as a percentage of all farms (Source D&B - 2007).

\*\*\*\* Small loans to farms with revenues of \$1 million or less as a percentage of all loans reported as small loans to farms. No information was available for 0.00% of small loans to farms originated and purchased by the bank.

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Table 12. Geographic and Borrower Distribution of Consumer Loans (Institution's Option)

Geographic and Borrower Distribution: CONSUMER LOANS DECEMBER 31, 2007		Geography: TENNESSEE										Evaluation Period: JANUARY 1, 2005 TO						
MA/Assessment Area:	Geographic Distribution										Borrower Distribution							
	Total Consumer Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers	
	#	% of Total	% of Hhlds**	% of BANK Loans	% of Hhlds**	% of BANK Loans	% of Hhlds*	% of BANK Loans	% of Hhlds**	% of BANK Loans	% of Hhlds**	% of BANK Loans	% of Hhlds*	% of BANK Loans	% of Hhlds*	% of BANK Loans	% of Hhlds*	% of BANK Loans
<b>Full Review:</b>																		
FCNB 2007 MSA	1,285	15.26	0.38	0.00	17.60	2.41	35.88	72.45	46.13	25.14	16.39	22.80	12.91	23.19	17.27	22.96	53.44	27.32
FCNB 2007 NON-MSA	7,137	84.74	0.00	0.00	0.00	0.00	82.94	68.52	17.06	31.48	25.17	14.05	14.60	21.66	17.49	23.34	42.74	34.89

\* Consumer Loans originated and purchased in the MA/AA as a percentage of all consumer loans originated and purchased in the rated area.  
 \*\* Percentage of households is based on 2000 Census Information.

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Table 13. Qualified Investments

QUALIFIED INVESTMENTS		Geography: TENNESSEE				Evaluation Period: March 21, 2005 TO May 5, 2008			
MA/Assessment Area:	Prior Period Investments		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
<b>Full Review:</b>									
FCNB 2007 MSA	0	0	7	1,057	7	1,089	89.41	0	0
FCNB 2007 NON-MSA	0	0	13	129	13	129	10.59	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.

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Table 14. Distribution of Branch Delivery System and Branch Openings/Closings

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS								Geography: TENNESSEE				Evaluation Period: MARCH 21, 2005 TO MAY 5, 2008					
MA/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
<b>Full Review:</b>																	
FCNB 2007 MSA	30.12	8	42.11	0.00	0.00	50.00	50.00	10	0	0	0	0	1	0.50	17.37	35.64	46.50
FCNB 2007 NON-MSA	69.88	11	57.89	0.00	0.00	72.73	27.27	0	0	0	0	0	0	0.00	0.00	83.58	16.42



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Distribution of Branch and ATM Delivery System

Distribution of Branch and ATM Delivery System				Geography: TENNESSEE				Evaluation Period: MARCH 21, 2005 TO MAY 5, 2008									
MA/Assessment Area:	Deposits	Branches						ATMs				Population					
	% of Total Bank Deposits	# of Bank Branches	% of Total Bank Branches	Location of Branches by Income of Geographies (%)				# of Bank ATMs	% of Total Bank ATMs	Location of ATMs by Income of Geographies				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
<b>Full Review:</b>																	
FCNB 2007 MSA	30.12	8	42.11	0	0	50.00	50.00	18	58.06	0	0	38.89	61.11	0.50	17.37	35.64	46.50
FCNB 2007 NON-MSA	69.88	11	57.89	0	0	72.73	27.27	13	41.94	0	0	38.46	61.54	0.00	0.00	83.58	16.42