



PUBLIC DISCLOSURE

April 11, 2022

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Edison National Bank
23329

13000 South Cleveland Avenue
Fort Myers, 33907

Office of the Comptroller of the Currency

4042 Park Oaks Blvd. Suite 240
Tampa, Florida 33610

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.

Table of Contents

OVERALL CRA RATING.....1
DESCRIPTION OF INSTITUTION2
SCOPE OF THE EVALUATION3
DISCRIMINATORY OR OTHER ILLEGAL CREDIT PRACTICES REVIEW4
STATE RATING.....5
LENDING TEST8
 COMMUNITY DEVELOPMENT.....9
APPENDIX A: SCOPE OF EXAMINATION A-1
APPENDIX B: SUMMARY OF MMSA AND STATE RATINGSB-1
APPENDIX C: DEFINITIONS AND COMMON ABBREVIATIONS.....C 1-4
APPENDIX D: TABLES OF PERFORMANCE DATAD 1-3

Overall CRA Rating

Institution's CRA Rating: Satisfactory.

The lending test is rated: Satisfactory.

This rating is based on the lending performance in the State of Florida.

The major factors that support this rating include:

- Given the bank's size, capacity, and other performance context factors, the lending test rating is based on a reasonable loan-to-deposit (LTD) ratio, a substantial majority of loans originated in the bank's assessment area, a reasonable distribution of loans in low- and moderate-income (LMI) geographies, and a reasonable distribution of loans among businesses of different sizes.
- The bank exhibits excellent responsiveness to community development needs in the State of Florida through community development loans, qualified investments, and community development services, as appropriate, considering the bank's capacity and the need and availability of such opportunities for community development in the bank's assessment area. Performance related to community development activities has a positive effect on the bank's rating in the state.

Loan-to-Deposit Ratio

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

The bank's level of lending, as reflected in the quarterly average net LTD ratio, is reasonable given the bank's size and performance context factors. The bank's LTD ratio since the preceding CRA evaluation (16 quarters starting January 2018 through December 2021) was 45.6 percent, ranging from a high of 56.8 percent in the third quarter of 2018 to a low of 29.3 percent in the fourth quarter of 2021. For the same period, Edison National Bank's (bank) ratio was slightly lower than the 55.8 percent ratio of two similarly situated banks operating in an adjacent county. Community banks selected in our analysis offer similar lending and deposit products with total assets of less than \$600 million.

BANK NAME	CITY	STATE	COUNTY	TOTAL ASSETS (000s)	AVERAGE LTD RATIO
Edison National Bank	Fort Myers	FL	Lee	\$558,229	52.97
Charlotte State Bank & Trust	Port Charlotte	FL	Charlotte	\$598,756	59.01
Englewood Bank & Trust	Port Charlotte	FL	Charlotte	\$521,913	64.99

Similar to other banks throughout the country who participated in Small Business Administration (SBA)'s Payment Protection Program (PPP), the bank is reporting excess liquidity on its balance sheet due to the strong deposit growth negatively impacting the LTD ratio starting in 2020 and continued in 2021.

Lending in Assessment area

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

The bank originated 92.3 percent of its total loans inside the assessment area during the evaluation period. Our conclusion was based on a random sample of 65 business loans made during January 1, 2019 through December 31, 2021. All 60 loans made in the assessment area were included in our analysis of the bank's lending performance. Represented in our sample was 54 PPP loans (\$7.05 million) of which 50 (\$6.44 million) originated in the assessment area.

Loans made inside the assessment area are factored into the overall lending gap analysis of the geographic distribution of lending by income level of geography. Our review of the geographies that comprise the bank's assessment area and distribution of lending for small business loans did not reveal any unexplained conspicuous gaps.

Lending Inside and Outside of the Assessment area										
Loan Category	Number of Loans				Total #	Dollar Amount of Loans				Total \$(000s)
	Inside		Outside			Inside		Outside		
	#	%	#	%		\$	%	\$	%	
Small Business	60	92.3	5	7.7	65	8,745	93.0	664	7.0	9,409

Description of Institution

Edison National Bank is a single-state community bank headquartered in Fort Myers, Florida. The bank is wholly owned by Edison Bancshares, Inc., a one-bank holding company also located in Fort Myers, FL. The bank was chartered in 1997 and is the oldest locally owned and chartered community bank in the Cape Coral-Fort Myers, FL, MSA. The bank operates out of four offices in the assessment area: two in Fort Myers, FL, one in Sanibel, FL, and one in Captiva, FL. The bank did not open or close any offices since the last CRA evaluation.

As of December 31, 2021, the bank reported total assets of \$558.2 million and tier one capital of \$36.5 million. For the same period, net loans of \$150.2 million accounted for 26.9 percent of total assets of which business loans represented 39.2 percent of net loans, loans secured by residential real estate represented 51.9 percent, and 8.9 percent in consumer loans. The bank maintains a conservative lending strategy while meeting the credit needs of its assessment area. Primary lending focus remains small business and real estate lending. To accommodate its customers for residential real estate financing needs, the bank acts as a broker with a large home mortgage company that operates within the bank's assessment area. As previously noted in the LTD section, the bank originated 394 PPP loans, resulting in a large influx of deposits and excess liquidity. As of December 31, 2021, the bank was reporting total deposits of \$505.4 million.

The bank offers an array of loan products and services typical for a community bank. Banking services include alternative banking to include automated teller machines (ATMs) access, online and mobile banking, and remote deposit capture services. Details on loan types and services offered to its customers,

including those responsive to the needs of low-and moderate-income individuals and small businesses, are described in the community development services section below.

There are no legal, financial, or other factors impeding the bank's ability to help meet the credit needs of its assessment area. The bank received an Outstanding rating in its previous CRA evaluation dated October 1, 2018.

COVID-19 Pandemic

The COVID-19 health pandemic (COVID-19) impacted the bank's operations and customers starting in March 2020. Lockdowns were imposed on certain types of businesses and on April 1, 2020, a stay-at-home order was issued for the entire state. The lockdowns led to many businesses and organizations being closed for varied periods of time, which limited the bank's ability to provide in-person and Community Development services to its customers.

In response to COVID-19, the bank participated in SBA's PPP to address the needs of businesses during the pandemic. Although not an SBA Lender, the bank's participation in the first round starting in 2020 as well as the second round in 2021 resulted in originating a total of 394 PPP loans with \$47.4 million in volume which provided much needed funds to support struggling business during the pandemic. Out of the 394 PPP loans made, 385, or \$46.1 million, directly impacted businesses in Cape Coral-Fort Myers MSA assessment area of which 50 PPP loans included in the sample were reflected in the Lending and CD tests below. Staff members worked long hours including nights and weekends processing applications to ensure much needed relief was provided to struggling businesses during this time. In addition, the bank served its' customers during the lockdowns by opening accounts, closing loans, and providing notary services through one of the three drive-up facilities. Other services offered include increasing limits for mobile deposits, providing courier service if needed, and waiving overdraft and wire fees. For those loan customers facing financial hardships, loan payment deferrals/extensions were offered.

Scope of the Evaluation

Evaluation Period/Products Evaluated

This Performance Evaluation (PE) assesses the bank's record of meeting the credit needs of the community in which it operates. We evaluated the bank's performance under the Small Bank CRA procedures, which includes a lending test and at the bank's option, a community development (CD) test. The lending test evaluates the bank's record of meeting the credit needs of the assessment area through its lending activities. In addition, management provided us with a list of CD activities for consideration to enhance the overall lending performance rating, if applicable. The CD test evaluates the bank's responsiveness to community credit needs in its assessment area with CD loans, qualified investments, and CD services.

The evaluation period for the Lending Test is January 1, 2019 through December 31, 2021 and for the CD test, January 1, 2018 through December 31, 2021, or since the last CRA exam.

The bank provided a report with data of all loans made during the evaluation period. There was a total of 747 loans totaling \$197 million of which 83.4 percent was centered

in business loans and 16.6 percent in consumer loans. Based on this report and the bank's business strategy, we determined the primary loan product during the evaluation period was business lending.

Effective July 2020, the bank was exempted from the reporting requirements of the Home Mortgage Disclosure Act (HMDA) due to the low volume of home mortgage loans made during the evaluation period. Due to the bank's low loan demand for residential real estate loans, HMDA loans reported during January 1, 2019 through June 30, 2020, were minimal with only 23 originated of which 17 were made in the assessment area and 6 outside the assessment area. Because few loans were made, especially those in the assessment area (less than 20), an analysis of this loan product was not meaningful when assessing the bank's overall lending performance.

The OCC compared bank loan data for all applicable years in the Cape Coral-Fort Myers Florida MSA and the State of Florida rating area and includes demographic data using the 2015 U.S. Census American Community Survey (ACS); Federal Financial Institutions Examination Council (FFIEC) adjusted 2021 MSA median family income and 2020 Dunn and Bradstreet (D&B) small business demographic data.

Because the bank is not subject to the Large Bank CRA Collection and Reporting requirements, the overall small business lending distribution analysis was weighted more heavily on performance with the demographic comparators rather than aggregate market share data.

Selection of Areas for Full-Scope Review

The bank operates four offices within one assessment area located in the State of Florida. The State of Florida was selected for a full-scope review.

Rating

The bank's overall rating is based on the lending performance in the Cape Coral-Fort Myers MSA assessment area.

Discriminatory or Other Illegal Credit Practices Review

Pursuant to 12 CFR 25.28(c) or 195.28(c), respectively, in determining a national banks 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.

State Rating

State of Florida

CRA rating for the State of Florida: Satisfactory.

The Lending Test is rated: Satisfactory.

The major factors that support this rating include:

- Given the bank's size, capacity and other performance context factors, the lending test rating is based on a reasonable LTD ratio, a substantial majority of loans originated in the bank's assessment area, a reasonable distribution of loans in LMI geographies, and a reasonable distribution of loans among businesses of different sizes.
- The bank exhibits excellent responsiveness to community development needs in the State of Florida through community development loans, qualified investments, and community development services, as appropriate, considering the bank's capacity and the need and availability of such opportunities for community development in the bank's assessment area. Performance related to community development activities has a positive effect on the bank's rating in the state.

Description of Institution's Operations in Florida

The bank's assessment area is located in Lee County and consists of the entire Cape Coral-Fort Myers MSA (#15980). The bank has delineated all census tracts in the MSA as its assessment area.

The bank operates four full-service branches in the state. Two branches are located in middle-income geographies and two are located in upper-income geographies. Three out of the four branches have ATM's and drive-up facilities.

The bank offers lending and deposit products typical for a small community bank. The bank's primary focus is business lending, accounting for 83.4 percent of total loans made during the evaluation period. Although not an SBA Lender, the bank made 394 PPP loans totaling \$47.4 million that provided much needed funds to support operations for struggling local business during the pandemic.

There is strong competition in the bank's assessment area for financial services from other local community banks, regional, larger institutions that have a nationwide footprint, credit unions and nonbank financial entities. Based on FDIC's June 30, 2021, deposit market share report for the Cape Coral-Fort Myers MSA, the bank ranks 11th out of 30 financial institutions operating out of 177 offices with a 2.3 percent market share.

As part of this evaluation, the OCC consulted two nonprofit organizations working in the assessment area, a nonprofit affordable housing organization and the other an economic development organization whose mission is to attract new and diversified businesses and retain those existing businesses with assistance and support. The contacts identified three critical credit needs during the evaluation period to include affordable housing, small business lending for start-ups and young businesses (\$25,000 - \$100,000) and financial literacy.

Cape Coral – Fort Myers MSA

Table A – Demographic Information of the Assessment Area						
Assessment Area: Cape Coral – Fort Myers MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	167	4.2	25.1	35.9	33.5	1.2
Population by Geography	663,675	4.7	27.1	42.3	25.9	0.0
Housing Units by Geography	374,333	3.5	21.3	40.9	34.4	0.0
Owner-Occupied Units by Geography	174,162	2.1	18.6	44.2	35.1	0.0
Occupied Rental Units by Geography	78,125	8.5	32.9	38.0	20.5	0.0
Vacant Units by Geography	122,046	2.3	17.6	38.0	42.1	0.0
Businesses by Geography	98,649	2.7	22.6	40.1	34.4	0.2
Farms by Geography	2,955	3.2	26.1	46.5	24.3	0.0
Family Distribution by Income Level	165,635	20.7	18.5	19.7	41.1	0.0
Household Distribution by Income Level	252,287	22.6	17.2	18.8	41.4	0.0
Median Family Income MSA - 15980 Cape Coral-Fort Myers, FL MSA		\$57,627	Median Housing Value			\$192,233
			Median Gross Rent			\$970
			Families Below Poverty Level			11.1%

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

The Cape Coral-Fort Myers MSA assessment area includes all of Lee County in Florida. The assessment area meets the requirements of the CRA regulation and does not arbitrarily exclude LMI geographies. According to 2015 ACS U.S. Census data, the assessment area consists of 167 CTs, of which seven are low-income (4.2 percent), 42 as moderate-income (25.1 percent), 62 as middle-income (35.9 percent), and 56 (33.5 percent) as upper income. Two census tracts (1.2 percent) were not assigned an income classification (Gulf of Mexico and the airport).

Based on the same Census data, 13.1 percent of households live below the poverty level.

According to the U.S. Bureau of Labor Statistics, as of December 31, 2021, the unemployment rate in the Cape Coral-Fort Myers MSA was 2.7 percent, which was near the state rate of 2.9 percent and lower than the national rate of 3.9 percent.

As with most metropolitan areas in Florida, the economy has been negatively impacted by the pandemic. The Cape Coral-Fort Myers MSA assessment area is known for its beautiful beaches and its tourism-related leisure and hospitality industry, which consists of mainly hotels and restaurants and the most impacted sector during the pandemic. The unemployment rate peaked in April 2020 at 14.3 percent and averaged 7.9 percent for the year. However, more relaxed COVID-19 restrictions have benefitted the tourist industry and national and international tourists have returned to the area.

According to Moody's Analytics, the Cape-Coral MSA has rebounded quickly in comparison to other parts of the state in large part to the influx of new residents. It was noted the assessment area has one of the largest populations of retirees in the country which has benefitted various industries, particularly those in consumer services.

According to Enterprise Florida, the top employers in the Cape Coral-Fort Myers MSA assessment area consist of Lee Health, Lee County School District, Lee County Local Government and Publix Supermarket. According to the U.S. Bureau of Labor Statistics industry reports, as of December 31, 2021, along with the leisure and hospitality industry, other major industries include retail trade, local government, education and healthcare, and professional and business services.

Competition for small business lending in the Cape Coral -Fort Myers FL MSA is strong with 221 lenders (2020 Dunn & Bradstreet) all competing for the same small business loans in the bank's assessment area. Competition for financial services include other local community banks, regional, larger institutions that have a nationwide footprint, credit unions, and nonbank financial entities. The top three small business lenders in 2020 were Bank of America, N.A. with a 9.3 percent market share, Truist Financial with an 8.2 percent market share, and Wells Fargo Bank, N.A. with a 7.4 percent market share.

Housing affordability is a challenge in the Cape Coral-Fort Myers FL MSA. The FFIEC estimated 2021 median family income was \$71,900. The median sales price of existing single-family homes according to the National Association of Realtors was \$258,700 in 2019 and \$360,000 in 2021, a 39.2 percent increase. As of December 31, 2021, the housing price would require a mortgage payment of \$1,933 based on a 30-year mortgage with a five percent interest rate. Based on this data and not accounting for down payment, homeowners' insurance, real estate taxes, or any additional monthly expenses, a low-income borrower making \$35,950 per year (or less than 50 percent of the 2021 FFIEC adjusted median family income in the assessment area) could afford a mortgage payment of \$839 per month. A moderate-income borrower making \$57,520 per year (or less than 80 percent of the 2021 FFIEC adjusted median family income) in the assessment area could afford a mortgage payment of \$1,342 per month. This illustrates that low-and moderate-income borrowers are challenged to qualify for a mortgage loan in the Cape Coral-Fort Myers MSA assessment area.

As part of this evaluation, the OCC consulted two organizations working in the assessment area, a nonprofit affordable housing organization and the other an economic development organization that provides business assistance to retain and attract new and diversified businesses, advance workforce skills and grow employment. The contacts reported the following needs within the assessment area:

- Affordable housing
- Small business lending for start-ups and young businesses (\$25,000 - \$100,000)
- Financial literacy

LENDING TEST

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

Conclusions for Area Receiving a Full-Scope Review

Based on a full-scope review, the bank's performance in the Cape Coral-Fort Myers MSA assessment area is satisfactory.

Lending to businesses that were significantly impacted by COVID-19 was a major factor when evaluating the bank's overall lending performance. Of the 60 business loans sampled, 50 were PPP loans made to local businesses impacted by the pandemic. These loans were included in the analysis of the bank's performance of distribution of lending to small businesses by income level of the geography and distribution of lending to businesses by revenue level.

Distribution of Loans by Income Level of the Geography

The bank exhibits reasonable geographic distribution of loans in the State of Florida.

Small Loans to Businesses

Based on Table Q, the bank's size and performance context considerations, the bank's geographic distribution of small business loans made during the evaluation period reflects reasonable distribution throughout the assessment area.

The overall distribution of the bank's small business loans operating in low-income geographies exceeds the percentage of small businesses operating in low-income geographies in the assessment area and exceeds the aggregate distribution of small businesses operating in low-income geographies. The overall distribution of small business loans operating in moderate-income geographies was somewhat lower than the percentage of small businesses operating in moderate-income geographies in the assessment area and somewhat lower than the aggregate distribution of small businesses operating in moderate-income geographies and reported by lenders required to report these types of loans (Large Bank CRA Data Collection and Reporting).

Distribution of Loans by Income Level of the Borrower

The bank exhibits a reasonable distribution of loans to businesses of different sizes, given the product lines offered by the bank.

Small Loans to Businesses

Based on Table R, the bank's size, and performance context considerations, we concluded the bank's distribution of small business loans to small businesses reflects reasonable distribution.

The proportion of small business loans made in the assessment area was somewhat lower than proportion of small businesses operating in the assessment area (gross annual revenues of \$1 million or less) and exceeds the aggregate distribution of loans to small businesses operating in Lee County reported by lenders subject to report these types of loans (Large Bank CRA Data Collection and Reporting).

Due to performance context factors discussed in the Description of Institution's Operations in Florida, the level of performance is considered reasonable as small business lending is very competitive with 221 small business lenders all vying for the same small business loans in the Cape Coral-Fort Myers MSA assessment area. We also considered the bank's significant volume of small loans to businesses made through its participation in the SBA CARES Act PPP program for 2020 and 2021. The bank made 394 PPP loans totaling \$47.4 million which provided much needed support for those local businesses impacted by the pandemic.

Responses to Complaints

There have been no CRA performance complaints received by the bank or our office during the evaluation period.

COMMUNITY DEVELOPMENT

Based on a full-scope review, the bank exhibits excellent responsiveness to community development needs in the state, through community development loans, qualified investments, and community development services, as appropriate, considering the bank's capacity and the need and availability of such opportunities for community development in the bank's assessment area. Performance related to community development activities had a positive effect on the bank's rating in the State of Florida.

Community Development Lending

Number and Amount of Community Development Loans

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

Community Development Loans				
Assessment area	Total			
	#	% of Total #	\$(000's)	% of Total \$
Cape Coral-Fort Myers MSA	10	100.0	2,169	100.0

The Community Development Loans Table, shown above, sets forth the information and data used to evaluate the bank's level of CD lending. These tables include all CD loans, including multifamily loans that also qualify as CD loans.

The bank's CD lending has a positive impact on the lending test given the performance context and its capacity. Qualified CD loans were effective and responsive to the credit needs of the assessment area.

The bank originated 10 CD loans totaling \$2.2 million in the assessment area exhibiting excellent responsiveness to the credit and community needs in the assessment area. Loans primarily supported affordable housing initiatives and community services targeted to LMI individuals and families residing in the assessment area, both identified critical community needs due to the pandemic. Six of the ten CD loans were made to four nonprofit CD organizations who received PPP loans to support payroll needs during the pandemic,

Notable:

- Two loans totaling \$315 thousand to build rental units located in a moderate-income census tract that will provide affordable rental housing to LMI individuals and families. Affordable housing has been identified as a crucial need in the assessment area.

Number and Amount of Qualified Investments

Refer to the Community Development Investments table below for the facts and data used to evaluate the bank's level of CD Investments. The table includes all CD investments in the assessment area.

Qualified Investments										
Assessment area	Prior Period*		Current Period		Total				Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	% of Total #	\$(000's)	% of Total \$	#	\$(000's)
Cape Coral-Fort Myers MSA	0	0.00	63	112	63	100.0	112	100.0	0	0.0

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

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

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

Qualified investments are effective and responsive to the credit needs of the assessment area, particularly those investments in community services and the high level of investments minority-depository institutions (MDI). The bank made a significant number of investments, grants, and donations to many local CD nonprofit organizations to support affordable housing initiatives as well as community services targeted to LMI individuals and families. The bank supports revitalization and stabilization efforts of underserved communities throughout the country by investing in MDIs.

Qualified investments in the assessment area total 63 (\$112,000) and all represent current period donations. Of the 63 donations, six or \$18,000 were made to nonprofit affordable housing organizations and 57 or \$94,000 to community-based service organizations.

Notable:

- The bank made 14 donations totaling \$23,000 to a nonprofit community-based service organization whose purpose is to provide food and other basic services to LMI individuals and families in the community, an increased and critical basic need during the pandemic.

During the evaluation period, the bank invested in 34 minority-owned banks (MDI's) totaling \$8.5 million of which 32 or \$8.0 million were new investments and two or \$498,000 prior period investments. These financial institutions play a vital role in promoting the viability of underserved communities. MDIs provide loans and services to minority populations and the communities they serve. Generally, a bank receives positive consideration for CD investments benefitting the bank's assessment area, state-wide or a broader regional area. These types of investments are favorably considered in CD investment performance regardless of location of the bank. None of the types of investments were to minority-owned banks in the Cape Coral – Fort Myers MSA; however, due to these types of investments meeting a critical CD need nationwide, the bank is provided the same consideration as if originated in its assessment area.

Extent to Which the Bank Provides Community Development Services

CD services were effective and responsive in helping the bank address community needs in the assessment area. During the evaluation period, the President, senior management, bank officers and a member of the board of directors conducted a high level of CD services consistent with its and expertise to conduct such activities. The bank provided financial expertise to seven nonprofit organizations that serve the assessment area. Nonprofit organizations served during the evaluation period include five community-based service organizations that predominately serve low- and moderate-income persons and two broader economic development organizations that engage in activities that promotes job creation, including for low-and moderate-income residents. In addition, the bank offers the use of its boardroom free of charge to 38 nonprofits organizations for its periodic meetings and other functions.

The bank's delivery systems are readily accessible throughout the assessment area. The bank operates four offices: three with ATMs and drive-up facilities. All offices are open Monday to Friday. Although branch locations are located in upper- and middle-income geographies, the bank offers alternative delivery systems to include ATM/debit cards free of charge for any ATM transactions conducted at the bank locations and Publix Presto ATMs. Other no-cost alternative delivery systems include 24-hour online internet, mobile and telephone banking. Personal account holders also receive free of charge online bill pay. These systems provide additional availability and access to banking services for low- and moderate-income persons and small businesses.

The bank offers a wide array of loan products and services typical for a community bank. The bank offers deposit products that are attractive to low- and moderate- income persons and small businesses. For example, the bank offers a checking account that features all electronic on-line banking to include electronic statements, notices, and checks available on recycled paper for occasional use. A \$50 deposit is required to open the account with a monthly service fee of \$2. A basic business account is offered for those small businesses with minimal checking activity. A \$50 deposit is required to open the account with a monthly service fee of \$15 which is waived with a minimum daily balance of \$2,500. In addition, there is no charge on the first 200 items (deposits credited and deposited and paid items) otherwise each additional item is \$.25.

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 MSAs and non-MSAs 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:	01/01/2019 to 12/31/2021 Small business lending activities. 1/1/2018 to 12/31/2021 Community Development activities.	
Bank Products Reviewed:	Small loans to businesses, Community development loans, qualified investments, community development services.	
Affiliate(s)	Affiliate Relationship	Products Reviewed
N/a		
List of Assessment areas and Type of Examination		
Rating and Assessment areas	Type of Exam	Other Information
Cape Coral- Fort Myers, Florida	Full Scope	

Appendix B: Summary of State Ratings

Overall Bank	Lending Test Rating
Florida	Satisfactory

Appendix C: Definitions and Common Abbreviations

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Appendix D: Tables of Performance Data

Content of Standardized Tables

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

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

Table Q. Assessment area Distribution of Loans to Small Businesses by Income Category of the Geography - The percentage distribution of the number of small loans (less than or equal to \$1 million) to businesses that were originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of businesses (regardless of revenue size) in those geographies. Because aggregate small business data are not available for geographic areas smaller than counties, it may be necessary to compare bank loan data to aggregate data from geographic areas larger than the bank’s assessment area.

Table R. Assessment area Distribution of Loans to Small Businesses by Gross Annual Revenue - Compares the percentage distribution of the number of small loans (loans less than or equal to \$1 million) originated and purchased by the bank to businesses with revenues of \$1 million or less to: 1) the percentage distribution of businesses with revenues of greater than \$1 million; and 2) the percentage distribution of businesses for which revenues are not available. The table also presents aggregate peer small business data for the years the data is available.

Table Q: Assessment area Distribution of Loans to Small Businesses by Income Category of the Geography 2021

Assessment area:	Total Loans to Small Businesses				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts		
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate
Cape Coral-Fort Myers MSA	60	8,745	100.0	23,722	2.7	3.3	2.5	22.6	15.0	22.9	40.3	36.7	39.6	34.4	45.0	35.0

Source: 2020 D&B Data; 01/01/2019 - 12/31/2021 Sample from bank prepared loan originations report.

Table R: Assessment area Distribution of Loans to Small Businesses by Gross Annual Revenues

Assessment area:	Total Loans to Small Businesses				Businesses with Revenues <= 1MM			Businesses with Revenues > 1MM		Businesses with Revenues Not Available		2021
	#	\$	% of	Overall Market	% Businesses	% Bank	Aggregate	% Businesses	% Bank	% Businesses	% Bank	
Cape Coral-Fort Myers MSA	60	8,745	100.0	23,722	91.8	63.4	40.5	2.7	33.3	5.5	3.3	

Source: 2020 D&B Data; 01/01/2019 - 12/31/2021 Sample from bank prepared loan originations report.