



## **PUBLIC DISCLOSURE**

January 18, 2022

### **COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION**

First National Bank in DeRidder  
Charter Number 14168

131 North Washington  
DeRidder, LA 70634

Office of the Comptroller of the Currency

3838 North Causeway Blvd.  
Suite 2890  
Metairie, LA 70002-8105

**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 Community Reinvestment Act (CRA) Rating

**First National Bank in DeRidder (FNBD) CRA Rating:** This institution is rated **Satisfactory**.

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

The major factors that support this rating include:

- Having a reasonable loan-to-deposit (LTD) ratio.
- Having a majority of loans made inside the assessment areas (AAs).
- Having excellent geographic distribution of both home mortgage loans and small loans to business.
- Exhibiting a reasonable distribution of loans to individuals of different income levels and businesses of different sizes.
- Operating with a satisfactory complaint management program, but did not receive any complaints during the review period.

### LTD Ratio

Considering FNBD's size, financial condition, and credit needs of the AAs, the LTD ratio is reasonable. The quarterly average LTD ratio for the institution during the evaluation period was approximately 61.1 percent. Since the prior examination, the quarterly LTD ratio has ranged from a low of 45.2 percent in the third quarter of 2021 to a high of 73.6 percent in the third quarter of 2018. The quarterly average LTD ratio for similarly situated financial institutions located within or near the AAs was 73.0 percent.

Institution	Assets – As of September 30, 2021 (in thousands)	Average LTD
FNBD	409,655	61.1%
Merchants & Farmers Bank & Trust Company	485,587	73.3%
Lakeside Bank	359,990	69.6%
Beauregard Federal Savings Bank	75,293	76.1%

Source: Bank Data

### Lending in AA

A majority of FNBD's loans are inside its AAs. FNBD originated and purchased 81.2 percent of its total loans by number and 85.1 percent of its total loans by dollar amount inside the AAs during the evaluation period. This analysis is performed at the bank, rather than the AA, level.

Lending Inside and Outside of the AA										
Loan Category	Number of Loans				Total #	Dollar Amount of Loans \$(000s)				Total \$(000s)
	Inside		Outside			Inside		Outside		
	#	%	#	%		\$	%	\$	%	
Home Mortgage	398	80.2	98	19.8	496	82,172	83.7	16,013	16.3	98,184
Commercial	37	92.5	3	7.5	40	11,551	96.6	403	3.4	11,954
<b>Total</b>	<b>435</b>	<b>81.2</b>	<b>101</b>	<b>18.8</b>	<b>536</b>	<b>93,723</b>	<b>85.1</b>	<b>16,416</b>	<b>14.9</b>	<b>110,138</b>

Source: Bank Data. Due to rounding, totals may not equal 100.0%.

## Description of Institution

FNBD is a \$410 million, nationally-chartered community bank headquartered in DeRidder, Louisiana. It serves its community through six branches, including three located in Calcasieu Parish and three located in Beauregard Parish. Banking hours reasonably meet community needs with lobby hours Monday through Friday from 9:00 a.m. to 5:00 p.m. All branches offer extended drive-through hours and two of branches offer Saturday drive-through hours. Additionally, all branch locations have 24-hour automated teller machine access. FNBD operates with an Internet web site which offers information on its products and services, as well as account access. FNBD closed one branch during the review period, located in a middle-income census tract (CT).

FNBD primarily offers real estate, agricultural, commercial, home improvement, automobile, recreational, and personal loans. FNBD has not made changes to its corporate structure, including any merger or acquisition activities, since the previous CRA Performance Evaluation. As illustrated in the table below, FNBD focuses primarily on residential real estate and commercial lending. As of September 30, 2021, the loan portfolio consisted of the following:

FNBD Loan Portfolio		
Loan Category	Dollars (000)	Percentage
Home Mortgage	73,185	42.9
Commercial Real Estate	32,089	18.8
Construction and Development	29,268	17.2
Commercial and Industrial	23,777	14.0
Other (Consumer / Farm / Multifamily)	12,130	7.1
<b>Total</b>	<b>170,449</b>	<b>100.0</b>

Source: Call Report

FNBD's six branches operates in two AAs including Calcasieu Parish, which is part of the Lake Charles Metropolitan Statistical Area (MSA), and two non-MSA parishes (Beauregard Parish and portions of Vernon Parish). Calcasieu Parish consists of 44 CTs including four low-income CTs, 12 moderate-income CTs, 14 middle-income CTs, 12 upper-income CTs, and 2 not applicable income CTs. A CT is considered not applicable when there have been changes to the AA maps during the review period. The non-MSA AA consists of 10 CTs (five middle-income CTs and five upper-income CTs). There are no low- or moderate-income CTs in the non-MSA AAs. The AA meets regulatory requirements and does not arbitrarily exclude low- to moderate-income CTs.

FNBD has no affiliate or operating subsidiary activities considered when evaluating CRA performance.

There were no legal or financial factors impeding FNBD's ability to meet credit needs in its AA during the evaluation period. FNBD's CRA performance was rated "Satisfactory" in the Performance Evaluation dated January 08, 2018.

## **Scope of the Evaluation**

### **Evaluation Period/Products Evaluated**

We evaluated CRA performance of FNBD using the Interagency Small Bank CRA procedures, which focus on the analysis of the primary loan products. The evaluation period for the Lending Test covered January 1, 2019, through December 31, 2021. Conclusions regarding FNBD's lending performance are based on a review of residential real estate loans as well as commercial loans. We analyzed all loans reported on the Home Mortgage Disclosure Act (HMDA) loan application register and obtained a sample of 40 commercial loans for the evaluation period.

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

FNBD operates in two AAs in the State of Louisiana including Calcasieu Parish, which is part of the Lake Charles MSA, and a non-MSA AA comprised of Beauregard Parish and portions of Vernon Parish. Both AAs received a full-scope review.

### **Ratings**

FNBD's overall rating is a blend of both AAs and products being weighted equally.

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

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

The OCC has not identified that FNBD (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 FNBD engaged in discriminatory or other illegal credit practices, identified by or provided to the OCC before the end of FNBD'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 Louisiana**

**CRA rating for the State of Louisiana:** Satisfactory

**The Lending Test is rated:** Satisfactory

The major factors that support this rating include:

- Having an excellent geographic distribution of both home mortgage loans and small loans to business.
- Exhibiting a reasonable distribution of loans to individuals of different income levels and businesses of different sizes.
- Operating with a satisfactory complaint management program, but did not receive any complaints during the review period.

### **Description of Institution's Operations in Louisiana**

FNBD serves its community through five branches located in two AAs including Calcasieu Parish (Lake Charles AA) and Beauregard Parish (non-MSA AA). FNBD primarily offers real estate, agricultural, commercial, home improvement, automobile, recreational, and personal loans.

#### **Lake Charles AA**

Calcasieu Parish is part of the Lake Charles MSA, along with Cameron Parish. Management determined the entire MSA to be too large to serve with the branches only located in Calcasieu Parish. The AA meets regulatory guidelines by including whole geographies and not arbitrarily excluding low- and moderate-income areas. Lake Charles is the parish seat for Calcasieu Parish. The AA has experienced significant impacts during the review period including two hurricanes and a devastating winter event. These extreme weather events have impacted the AA with public school enrollment down 15 percent; an overall population decrease of approximately 10-20 percent; and a 20 percent decrease in business license renewals. While there has been tremendous economic activity in the AA because of these weather events, an unforeseen consequence has been a significant impact on available housing, with a severe lack of affordable housing.

FNBD's competition is significant in the AA and includes state and federal community banks, credit unions, and mortgage banking companies with regional and national footprints. Based on the most recent Deposit Market Share Report, FNBD ranked twelfth out of 30 institutions in its AA, holding 1.3 percent of the market share. The five largest competitors command approximately 66.0 percent of the deposit market share, evidencing strong competition in the AA.

The Federal Financial Institutions Examination Council's (FFIEC) updated 2021 median family income for the AA was \$68,400. Low income is defined as less than 50 percent of the median family income. Moderate income is defined as 50 percent to less than 80 percent of the median family income. Middle

income is defined as 80 percent to 119 percent of the median family income. Upper income is defined as income of 120 percent and over the median family income. The following table depicts income categories:

<b>Median Family Income Ranges</b>				
<b>Median Family Incomes</b>	<b>Low &lt;50%</b>	<b>Moderate 50% to &lt;80%</b>	<b>Middle 80% to &lt;120%</b>	<b>Upper ≥120%</b>
\$68,400	<\$34,200	\$34,200 to <\$54,720	\$54,720 to <\$82,080	≥\$82,080
<i>Source: FFIEC</i>				

Low-income families earning a median family income less than \$34,200 represented 23.7 percent of families in the AA, while moderate-income families earning between \$34,200 and \$54,720 comprised 16.8 percent of the AA population. According to 2015 ACS US census data, 13 percent of families in the AA earned wages below the poverty level.

Opportunities for residential lending are available within the four low-income CTs and the 12 moderate-income CTs in the AA. Of the 84,954 housing units in the AA, approximately 60.8 percent of the units are owner-occupied housing units, 27.8 percent are rental units, and only 11.3 percent of housing units are vacant. With average monthly rents of \$745 and the average medium housing price of \$126,978, there is a demand for residential lending.

Based on 2021 business demographic data, there were 21,777 nonfarm businesses in the AA. Of these, 19,182 (88.1 percent) of the businesses had revenues of less than \$1 million, 657 (3.0 percent) had revenues greater than \$1 million, and 1,938 (8.9 percent) did not report revenue information. The AA’s economy is diverse, with a variety of businesses including gaming, health care, construction, oil refining, and chemical manufacturing. As of 2021, the top employers in the AA included Calcasieu Parish School System; Lake Charles Memorial Health System; Coushatta Casino Resort; and Westlake Group. According to the Bureau of Labor Statistics, as of September 2021, the unemployment rate of the AA was 6.9 percent. This was slightly higher than the Louisiana state average of 6.0 percent.

The following table depicts the demographic information for the Lakes Charles AA.

<b>Demographic Information of the Lake Charles AA</b>						
<b>Demographic Characteristics</b>	<b>#</b>	<b>Low % of #</b>	<b>Moderate % of #</b>	<b>Middle % of #</b>	<b>Upper % of #</b>	<b>NA* % of #</b>
Geographies (CTs)	44	9.1	27.3	31.8	27.3	4.5
Population by Geography	195,887	5.0	25.8	36.7	32.5	0.0
Housing Units by Geography	84,954	5.6	25.9	36.1	32.3	0.0
Owner-Occupied Units by Geography	51,678	2.9	18.7	41.5	36.9	0.0
Occupied Rental Units by Geography	23,647	10.7	38.3	24.9	26.2	0.0
Vacant Units by Geography	9,629	8.0	34.1	34.8	23.1	0.0
Businesses by Geography	16,106	5.1	27.5	32.7	34.5	0.2
Farms by Geography	395	3.3	15.9	40.0	40.8	0.0
Family Distribution by Income Level	50,663	23.7	16.8	17.9	41.6	0.0
Household Distribution by Income Level	75,325	25.6	15.6	16.4	42.5	0.0
Median Family Income MSA - 29340 Lake Charles, LA MSA		\$57,618	Median Housing Value			\$126,978
			Median Gross Rent			\$745
			Families Below Poverty Level			13.0%
<i>Source: 2015 ACS and 2020 D&amp;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.</i>						

In conjunction with this examination, we conducted an interview with a community leader in the AA. The primary credit needs in the community were identified as affordable housing and financial literacy. According to this contact, local banks have been active in helping meet the credit needs of the AA.

### **Non-MSA AA**

The non-MSA AA includes Beauregard Parish and portions of Vernon Parish. Beauregard Parish is the thirty-first largest parish in Louisiana. The parish seat is DeRidder, which is 25 miles east of the Sabine River and Texas state line, 50 miles north of Lake Charles, Louisiana and 75 miles southwest of Alexandria, Louisiana. Beauregard Parish is adjoining to Vernon Parish, whose seat is Leesville and includes the United States Army base, Fort Polk. Management determined that there was significant competition in Vernon Parish, including several credit unions serving the credit needs of the army base located in the parish, and therefore only included those CTs in Vernon Parish that were close to branch locations and excluded the remaining CTs. The AA meets regulatory guidelines by including whole geographies and not arbitrarily excluding low- and moderate-income areas. There are no low- or moderate-income geographies in the AA.

FNBD is the leading lender in the AA, commanding 39.8 percent of the market share. There are a total of nine lenders in the AA. The top four lenders, excluding FNBD, command only 47.6 percent of the market share illustrating FNBD's strong ability to attract lending opportunities in the AA.

The FFIEC’s updated 2021 median family income for the AA was \$68,400. Low-income is defined as less than 50 percent of the median family income. Moderate-income is defined as 50 percent to less than 80 percent of the median family income. Middle-income is defined as 80 percent to 119 percent of the median family income. Upper income is defined as income of 120 percent and over the median family income. The following table depicts income categories:

<b>Median Family Income Ranges</b>				
<b>Median Family Incomes</b>	<b>Low &lt;50%</b>	<b>Moderate 50% to &lt;80%</b>	<b>Middle 80% to &lt;120%</b>	<b>Upper ≥120%</b>
\$50,100	<\$25,050	\$25,050 to <\$40,080	\$40,080 to <\$60,120	≥\$60,120
<i>Source: FFIEC</i>				

There are no low- or moderate-income CTs in the AA.

Low-income families earning a median family income less than \$25,050 represented 16.5 percent of families in the AA, while moderate-income families earning between \$25,050 and \$40,080 comprised 14.6 percent of the AA population. According to 2015 ACS US census data, 13.9 percent of households in the AA earned wages below the poverty level.

Opportunities for residential lending are available within the AA. Of the 21,913 housing units in the AA, approximately 65.5 percent of the units are owner-occupied housing units, 19.8 percent are rental units, and only 14.7 percent of housing units are vacant. With average monthly rents of \$703 and the average medium housing price of \$105,321, there is a demand for residential loans.

Based on 2021 business demographic data, there were 4,317 nonfarm businesses in the AA. Of these, 3,901 (90.4 percent) of the businesses had revenues of less than \$1 million, 72 (1.7 percent) had revenues greater than \$1 million, and 344 (8.0 percent) did not report revenue information. The AA’s economy is more rural but with a variety of businesses including a nearby military base, educational services (Beauregard and Vernon Parish school boards), and Walmart. According to the Bureau of Labor Statistics, as of November 2021, the unemployment rate of the AA was approximately 3.1 percent. This was significantly lower than the Louisiana state average of 6.0 percent.

The following table depicts the demographic information for the Non-MSA AA.

<b>Table A – Demographic Information of the Non-MSA AA</b>						
<b>Demographic Characteristics</b>	<b>#</b>	<b>Low % of #</b>	<b>Moderate % of #</b>	<b>Middle % of #</b>	<b>Upper % of #</b>	<b>NA* % of #</b>
Geographies (CTs)	10	0.0	0.0	50.0	50.0	0.0
Population by Geography	52,026	0.0	0.0	43.9	56.1	0.0
Housing Units by Geography	21,913	0.0	0.0	45.9	54.1	0.0
Owner-Occupied Units by Geography	14,352	0.0	0.0	43.4	56.6	0.0
Occupied Rental Units by Geography	4,347	0.0	0.0	42.4	57.6	0.0
Vacant Units by Geography	3,214	0.0	0.0	61.5	38.5	0.0
Businesses by Geography	3,251	0.0	0.0	48.6	51.4	0.0
Farms by Geography	148	0.0	0.0	41.9	58.1	0.0
Family Distribution by Income Level	13,734	16.5	14.6	17.2	51.6	0.0
Household Distribution by Income Level	18,699	18.1	12.9	15.0	54.0	0.0
Median Family Income Non-MSAs - LA		\$46,614	Median Housing Value			\$105,321
			Median Gross Rent			\$703
			Families Below Poverty Level			13.9%
<i>Source: 2015 ACS and 2020 D&amp;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.</i>						

In conjunction with this examination, we conducted an interview with a community leader in the AA. The primary credit needs in the community were identified as affordable housing and down payment assistance. According to this contact, local banks have been active in helping meet the credit needs of the AA.

## Scope of Evaluation in Louisiana

FNBD operates in two AAs in the State of Louisiana including Calcasieu Parish, which is part of the Lake Charles MSA, and a non-MSA AA comprised of Beauregard Parish and portions of Vernon Parish. Both AAs received a full-scope review. We analyzed FNBD's HMDA and commercial lending with both products being weighed equally.

## LENDING TEST

FNBD's performance under the Lending Test in Louisiana is rated Satisfactory.

## Conclusions for Areas Receiving Full-Scope Reviews

Based on full-scope reviews, FNBD's performance in both the Lake Charles and non-MSA AAs is good.

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

FNBD exhibits excellent geographic distribution of loans in Louisiana. There are no low- or moderate-income CTs in the non-MSA AA.

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

Refer to Table O in the State of Louisiana section of Appendix D for the facts and data used to evaluate the geographic distribution of FNBD's home mortgage loan originations and purchases.

### **Lake Charles AA**

FNBD's geographic distribution of home mortgage loans is considered excellent as lending exceeded both the demographic comparator and aggregate lending in both low- and moderate-income CTs.

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

Refer to Table Q in the State of Louisiana section of Appendix D for the facts and data used to evaluate the geographic distribution of FNBD's originations and purchases of small loans to businesses.

### **Lake Charles AA**

FNBD's geographic distribution of small loans to business is considered excellent in that the percentage of loans exceeded the percentage of businesses and aggregate lending in both the low- and moderate-income CTs.

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

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

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

Refer to Table P in the State of Louisiana section of Appendix D for the facts and data used to evaluate the borrower distribution of FNBD's home mortgage loan originations and purchases.

### **Lake Charles AA**

FNBD's distribution of home mortgage loans to low- and moderate-income borrowers is considered poor. The percentage of loans to both low- and moderate-income borrowers in the AA is significantly less than both the demographic comparator and aggregate lending. While FNBD does face some competition for lending, the demographics of the AA confirm there is both a demand and ability to qualify for lending for both low- and moderate-income borrowers.

### **Non-MSA AA**

FNBD's distribution of home mortgage loans to low- and moderate-income borrowers is considered reasonable. While the percentage of loans to both low- and moderate-income borrowers in the AA is

significantly less than the demographic comparator, the percentage of loans exceeds aggregate lending and is therefore considered good.

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

Refer to Table R in the State of Louisiana section of Appendix D for the facts and data used to evaluate the borrower distribution of FNBD's originations and purchases of small loans to businesses.

### **Lake Charles AA**

The distribution of small loans to businesses in the Lake Charles AA is considered excellent. FNBD's percentage of loans exceeded the percentage of businesses with gross annual revenues of less than \$1 million in the AA and significantly exceeded the percentage of aggregate lending to similar business in the AA.

### **Non-MSA AA**

The distribution of small loans to businesses in the non-MSA AA is considered reasonable. While the percentage of loans was less than the percentage of businesses with gross annual revenues of less than \$1 million in the AA, the percentage of loans exceeded the aggregate lending to similar businesses in the AA and is therefore considered reasonable.

### **Responses to Complaints**

FNBD did not receive any CRA-related complaints during the review period.

## 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 MSA and non-MSA 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>	01/01/2019 to 12/31/2021	
<b>Products Reviewed:</b>	Home mortgage and small business	
<b>Affiliate(s)</b>	<b>Affiliate Relationship</b>	<b>Products Reviewed</b>
NA	NA	NA
<b>List of AAs and Type of Examination</b>		
<b>AAs</b>	<b>Type of Exam</b>	
State of Louisiana	Small Bank	
Lake Charles AA		
Non-MSA AA		

# Appendix B: Summary of State Ratings

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RATINGS FOR FNBD	
Overall:	Lending Test Rating
Satisfactory	Satisfactory
Multi-MSA or State:	
Louisiana	Satisfactory

## Appendix C: Definitions and Common Abbreviations

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

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

**Aggregate Lending:** 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/AA.

**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. CTs nest within counties, and their boundaries normally follow visible features, but may follow legal geography boundaries and other non-visible features in some instances, CTs ideally contain about 4,000 people and 1,600 housing units.

**Combined Statistical Area:** 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:** 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 CT 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 MSA 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 CT 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/AA.

**Median Family Income:** 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 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 parishes 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 parishes that represent an employment

center or centers, plus adjacent parishes associated with the main/secondary parish or parishes 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 MSA comprises the central parish or parishes containing the core, plus adjacent outlying parishes having a high degree of social and economic integration with the central parish or parishes 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 MSA. 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 MSA, the institution will receive a rating for the multi-state MSA.

**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 Call Report. These loans have original amounts of \$500,000 or less and are either secured by farmland, or are classified as loans to finance agricultural production and other loans to farmers.

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

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

## Appendix D: Tables of Performance Data

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### Content of Standardized Tables

A separate set of tables is provided for each state. 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 AAs. Deposit data are compiled by the FDIC and are available as of June 30<sup>th</sup> of each year. Tables without data are not included in this Performance Evaluation.

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

- Table O. AA Distribution of Home Mortgage Loans by Income Category of the Geography -** Compares the percentage distribution of the number of loans originated and purchased by FNBD in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of owner-occupied housing units throughout those geographies. The table also presents aggregate peer data for the years the data is available.
- Table P. AA Distribution of Home Mortgage Loans by Income Category of the Borrower -** Compares the percentage distribution of the number of loans originated and purchased by FNBD to low-, moderate-, middle-, and upper-income borrowers to the percentage distribution of families by income level in each AA. The table also presents aggregate peer data for the years the data is available.
- Table Q. AA 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 FNBD 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 parishes, it may be necessary to compare loan data to aggregate data from geographic areas larger than FNBD’s AAs.
- Table R. AA 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 FNBD 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.

<b>Table O: AA Distribution of Home Mortgage Loans by Income Category of the Geography</b>																				<b>2019-21</b>	
AA:	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts				
	#	\$	% of Total	Overall Market	% of Owner-Occupied Housing Units	% Loans	Aggregate	% of Owner-Occupied Housing Units	% Loans	Aggregate	% of Owner-Occupied Housing Units	% Loans	Aggregate	% of Owner-Occupied Housing Units	% Loans	Aggregate	% of Owner-Occupied Housing Units	% Loans	Aggregate		
Lake Charles AA	144	23,965	36.2	6,278	2.9	5.6	1.6	18.7	22.2	14.9	41.5	32.6	39.6	36.9	39.6	44.0	0.0	0.0	0.0		
Non-MSA AA	254	58,207	63.8	1,867	0.0	0.0	0.0	0.0	0.0	0.0	43.4	38.2	38.7	56.6	61.8	61.3	0.0	0.0	0.0		
<b>Total</b>	<b>398</b>	<b>82,172</b>	<b>100.0</b>	<b>8,145</b>	<b>2.3</b>	<b>2.0</b>	<b>1.2</b>	<b>14.7</b>	<b>8.0</b>	<b>11.5</b>	<b>41.9</b>	<b>36.2</b>	<b>39.3</b>	<b>41.2</b>	<b>53.8</b>	<b>48.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>		

Source: 2015 ACS Census; 01/01/2019 - 12/31/2021 Bank Data, 2020 HMDA Aggregate Data, "--" data not available.  
Due to rounding, totals may not equal 100.0%.

<b>Table P: AA Distribution of Home Mortgage Loans by Income Category of the Borrower</b>																				<b>2019-21</b>	
AA:	Total Home Mortgage Loans				Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers				
	#	\$	% of Total	Overall Market	% Families	% Loans	Aggregate	% Families	% Loans	Aggregate	% Families	% Loans	Aggregate	% Families	% Loans	Aggregate	% Families	% Loans	Aggregate		
Lake Charles AA	144	23,965	36.2	6,278	23.7	2.1	4.3	16.8	6.3	13.5	17.9	12.5	17.1	41.6	36.8	37.0	0.0	42.4	28.2		
Non-MSA AA	254	58,207	63.8	1,867	16.5	6.7	2.1	14.6	7.9	4.9	17.2	16.5	13.2	51.6	53.5	48.7	0.0	15.4	31.1		
<b>Total</b>	<b>398</b>	<b>82,172</b>	<b>100.0</b>	<b>8,145</b>	<b>22.2</b>	<b>5.0</b>	<b>3.8</b>	<b>16.3</b>	<b>7.3</b>	<b>11.5</b>	<b>17.8</b>	<b>15.1</b>	<b>16.2</b>	<b>43.7</b>	<b>47.5</b>	<b>39.7</b>	<b>0.0</b>	<b>25.1</b>	<b>28.8</b>		

Source: 2015 ACS Census ; 01/01/2019 - 12/31/2021 Bank Data, 2020 HMDA Aggregate Data, "--" data not available.  
Due to rounding, totals may not equal 100.0%.

<b>Table Q: AA Distribution of Loans to Small Businesses by Income Category of the Geography</b>																				<b>2019-21</b>
AA:	Total Loans to Small Businesses				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts			
	#	\$	% of Total	Overall Market	% Businesses	% Loans	Aggregate	% Businesses	% Loans	Aggregate	% Businesses	% Loans	Aggregate	% Businesses	% Loans	Aggregate	% Businesses	% Loans	Aggregate	
Lake Charles AA	18	6,012	49	5,143	5.0	16.7	6.0	26.6	38.9	28.1	32.5	33.3	28.3	35.7	11.1	37.4	0.2	0.0	0.2	
Non-MSA AA	19	5,539	51	714	0.0	0.0	0.0	0.0	0.0	0.0	48.0	63.2	44.7	52.0	36.8	55.3	0.0	0.0	0.0	
<b>Total</b>	<b>37</b>	<b>11,551</b>	<b>100</b>	<b>5,857</b>	<b>4.1</b>	<b>8.1</b>	<b>5.2</b>	<b>22.2</b>	<b>18.9</b>	<b>24.7</b>	<b>35.1</b>	<b>48.6</b>	<b>30.3</b>	<b>38.4</b>	<b>24.4</b>	<b>39.6</b>	<b>0.2</b>	<b>0.0</b>	<b>0.1</b>	

*Source: 2021 D&B Data; 01/01/2018 - 12/31/2021 Bank Data; 2020 CRA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%.*

<b>Table R: AA Distribution of Loans to Small Businesses by Gross Annual Revenues</b>												<b>2019-21</b>
AA:	Total Loans to Small Businesses				Businesses with Revenues <= 1MM			Businesses with Revenues > 1MM		Businesses with Revenues Not Available		
	#	\$	% of Total	Overall Market	% Businesses	% Loans	Aggregate	% Businesses	% Loans	% Businesses	% Loans	
Lake Charles AA	18	6,012	49	5,143	88.1	88.89	26.3	3.0	11.1	8.9	NA	
Non-MSA AA	19	5,539	51	714	90.4	73.7	24.0	1.7	26.3	8.0	NA	
<b>Total</b>	<b>37</b>	<b>11,551</b>	<b>100</b>	<b>5,857</b>	<b>88.5</b>	<b>78.4</b>	<b>26.1</b>	<b>2.8</b>	<b>21.6</b>	<b>8.7</b>	<b>NA</b>	

*Source: 2021 D&B Data; 01/01/2018 - 12/31/2021 Bank Data; 2020 CRA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%.*