



PUBLIC DISCLOSURE

April 16, 2018

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

BancCentral, National Association
Charter Number 12152

602-612 Flynn Street
Alva, OK 73717

Office of the Comptroller of the Currency

Oklahoma City Field Office
The Harvey Parkway Building
301 NW 63rd Street, Suite 490
Oklahoma City, OK 73116-7908

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: This Institution is rated: Satisfactory

The Lending Test is rated: Satisfactory

The Community Development Test is rated: Satisfactory

The major factors supporting the institution's rating include the following:

- A majority of the bank's loans were originated within the bank's assessment areas (AAs);
- The loan-to-deposit (LTD) ratio is reasonable and meets the standard for satisfactory performance;
- The bank's distribution of loans to businesses and farms of different income levels is excellent and reflects outstanding performance;
- The geographic distribution of loans to businesses and farms reflects a reasonable dispersion throughout the AA and meets the standard for satisfactory performance; and,
- BancCentral National Association's (BCNA's) community development (CD) performance is satisfactory and demonstrates adequate responsiveness to the community development needs of its AAs.

Definitions and Common Abbreviations

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

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

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

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

Community Development: Affordable housing (including multifamily rental housing) for low- or moderate-income individuals; community services targeted to low- or moderate-income individuals; activities that promote economic development by financing businesses or farms that meet Small Business Administration Development Company or Small Business Investment Company programs size eligibility standards or have gross annual revenues of \$1 million or less; activities that revitalize or stabilize low- or moderate-income geographies, distressed or underserved nonmetropolitan middle-income geographies, or designated disaster areas; or loans, investments, and services that support, enable or facilitate projects or activities under HUD Neighborhood Stabilization Program criteria that benefit low-, moderate-, and middle-income individuals and geographies in the bank's assessment area(s) or outside the assessment area(s) provided the bank has adequately addressed the community development needs of its assessment area(s).

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

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

Family: Includes a householder and one or more other persons living in the same household who are related to the householder by birth, marriage, or adoption. The number of family households always equals the number of families; however, a family household may also include

non-relatives living with the family. Families are classified by type as either a married-couple family or other family, which is further classified into 'male householder' (a family with a male householder and no wife present) or 'female householder' (a family with a female householder and no husband present).

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Description of Institution

BCNA is a \$491 million dollar financial institutions headquartered in Alva, OK, located in northwestern Oklahoma. BCNA is a wholly owned subsidiary of Myers Bancshares, Inc., a two-entity holding company also headquartered in Alva. BancCentral Financial Services Corporation (BCFSC) is also a subsidiary of the holding company. BCFSC provides transaction processing and Internet provider services to the bank. BCFSC was not considered in the evaluation.

The bank has five full service locations including the main office in Alva, and branches in Woodward and Enid, OK and Anthony and Harper, KS. The Anthony and Harper branches were acquired on June 20, 2014 during this evaluation period. There were no branch closings during the evaluation period.

The tables below provide information on BCNA's five bank locations and the 11 Automated Teller Machines (ATMs). Six of the machines are deposit-taking ATMs. Each of the branch locations has an on-site ATM.

BCNA's Branch Locations		
<i>Location</i>	<i>Address</i>	<i>City</i>
Main Office	604 Flynn Street	Alva, OK
Woodward Branch	2519 Williams Avenue	Woodward, OK
Enid Branch	300 West Randolph	Enid, OK
Anthony Branch	300 West Main Street	Anthony, KS
Harper Branch	1002 Central Street	Harper, KS

BCNA's ATM Locations		
<i>Location</i>	<i>Address</i>	<i>City</i>
Main Bank (drive-up)	604 Flynn Street	Alva
College & Oklahoma (drive-up)	516 Oklahoma Boulevard	Alva
Lite-N-Nite Convenience Store	1624 Oklahoma Boulevard	Alva
Shepard Truck Stop	1512 E. Oklahoma Blvd	Alva
Woodward Branch (drive-up)	2519 Williams Avenue	Woodward
Honk-N-Holler Convenience Store	802 Northwest Highway 270	Woodward
United Grocery Store	8 th and Downs	Woodward
Enid Branch	300 W. Randolph	Enid
Enid Branch	2314 West Owen Garriott	Enid
Anthony Branch	203 West Main	Anthony
Harper Branch	1002 Central	Harper

The bank's primary focus is to serve commercial, agriculture, and consumer customers located in the AAs. Historically, the bank's emphasis has been on agricultural and commercial loans. BCNA meets these needs by providing various types of loan and deposit products and services, as well as Internet Banking, Telephone Banking, and full Trust services. Bank lobby services are provided Monday through Friday at all locations. The Alva and Woodward locations have

Saturday drive-in services. The ability to lend in its AA continues to be impacted by very strong competition from a substantial number of other financial institutions or branches of those institutions.

As of December 31, 2017, BCNA's assets totaled \$491 million, of which \$234 million or 48 percent were comprised of various types of loans to individuals, commercial and agriculture businesses, and commercial and residential real estate. Specifically, the bank's loan portfolio consists of the following:

Loan Portfolio Composition as of December 31, 2017		
	\$ (000)	%
Agriculture	\$113,508	48.55%
Commercial and Industrial	\$52,731	22.56%
Commercial Real Estate	\$42,612	18.23%
Residential Real Estate	\$19,296	8.25%
Individual Loans	\$4,139	1.77%
Other	\$1,487	0.64%
Total	\$233,773	100.00%

Source: December 31, 2017 Report of Condition and Income.

There are no significant financial or legal barriers currently limiting BCNA's ability to help meet the identified credit needs of its AAs. The bank is financially capable of meeting most any request for credit, subject to certain legal restrictions applicable to all national banks.

The Office of the Comptroller of the Currency last evaluated BCNA's CRA performance January 21, 2014. The bank received an overall rating of "Satisfactory" at the previous evaluation.

Scope of the Evaluation

A Data Integrity review commenced on July 10, 2017, to evaluate the bank's system of internal controls for collecting, verifying, and submitting data reported on the Home Mortgage Disclosure Act Loan Application Register (HMDA LAR). Community development activities were also reviewed to ensure adequate levels had been identified and qualified CRA credit.

Three AAs were designated for full-scope reviews for the CRA evaluation. There were no areas designated as limited-scope AAs. Full-scope reviews were performed for the Enid MSA AA, Oklahoma non-MSA AA and the Kansas non-MSA AA. Full-scope reviews are conducted in AAs where the bank has a substantial share of its deposit and loan business. The Oklahoma non-MSA AA contains 62 percent of the bank's total loans and 73 percent of total deposits. The Enid MSA AA contains 22 percent of total loans and 1 percent of total deposits. The Kansas non-MSA AA contains 16 percent of the bank's total loans and 26 percent of total deposits. More emphasis was placed on performance in the State of Oklahoma versus the State of Kansas since Oklahoma contains a majority of the loans and deposits. When evaluating performance in the State of Oklahoma, more emphasis was placed on the Oklahoma non-MSA AA versus the Enid MSA AA as the non-MSA AA contains a majority of the bank's loans and deposits.

The full-scope review of the three full-scope AAs included a random sample of business and agriculture loans originated between January 1, 2014 and December 31, 2017. These are the major loan products for the bank. This Performance Evaluation is based on 2010 US Census demographic information. Conclusions regarding the Lending Test are based on the origination of business and farm loans between January 1, 2014 and December 31, 2017. Conclusions regarding the Community Development Test are based on CD activities from January 22, 2014 through April 16, 2018.

Discriminatory or Other Illegal Credit Practices Review

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

The OCC has not identified that this institution has engaged in discriminatory or other illegal credit practices that require consideration in this evaluation.

The OCC will consider any information that this institution engaged in discriminatory or other illegal credit practices, identified by or provided to the OCC before the end of the institution's next performance evaluation in that subsequent evaluation, even if the information concerns activities that occurred during the evaluation period addressed in this performance evaluation.

Conclusions with Respect to Performance Criteria

LENDING TEST

BCNA'S performance under the Lending Test is rated "Satisfactory."

This Performance Evaluation assesses BCNA's performance focusing primarily on five performance criteria: the loan-to-deposit (LTD) ratio; lending in the AAs; lending to borrowers of different incomes and to businesses of different sizes; geographic distribution of loans; and responses to CRA related complaints.

Loan-to-Deposit Ratio

BCNA's LTD ratio is reasonable and meets the standard for satisfactory performance. The bank's LTD ratio at December 31, 2017 was 51.60 percent. The bank's average quarterly LTD ratio from March 30, 2014 through December 31, 2017 was 46.72 percent. This average was compared to the average of five similar banks located in BCNA's AAs or the surrounding counties for the same time period. BCNA's average LTD ratio of 46.72 percent is lower than the average of the four comparable banks of 72.13 percent. These average LTD ratios are detailed in the following table.

Loan-To-Deposit Ratios		
Institution	Total Assets \$000's (As of 9/30/17)	Average Loan to Deposit Ratio
Alva State Bank, Alva, OK	\$328,137	85.83%
Central Bank of Enid, OK	\$629,684	85.00%
Farmers Exchange, Cherokee, OK	\$354,659	83.51%
Peoples State Bank, Pratt, KS	\$362,080	68.19%
BancCentral, National Association	\$490,973	46.72%
Stock Exchange Bank, Woodward, OK	\$257,708	38.11%

Source: Institution Reports of Condition from March 31, 2014 to December 31, 2017.

BCNA's LTD ratio is less than the average of four of the five comparable banks. The bank has actively sought to and has been successful in increasing the loan portfolio over the evaluation period, as loan totals have increased \$96 million, or 71 percent, from \$138 million at March 31, 2014 to \$234 million at December 31, 2017. However, deposit growth has outpaced loan growth with a \$125 million increase in deposits over the same time period. In June 2014, BCNA acquired two bank locations in south central Kansas and since that time, have doubled loan totals in those two branches over the evaluation period, indicative of the bank's efforts to lend.

Another consideration is that the bank's trade areas are heavily reliant on the energy and agriculture sectors, which experience volatile commodity prices. As a result, BCNA attempts to be prudent in their lending practices to avoid undue credit risk when these sectors experience downturns.

Lending in Assessment Area

BCNA's lending in its AAs meets the standard for satisfactory performance. A majority of the number and dollar amount of business and farm loans were originated in the bank's AAs. As depicted in the following table, 83.33 percent of the number and 81.24 percent of the dollar amount of loans originated in the bank's AAs.

Lending in AAs										
Loan Type	Number of Loans					Dollars of Loans				
	Inside		Outside		Total	Inside		Outside		Total
	#	%	#	%		\$	%	\$	%	
Business	62	82.67	13	17.33	75	4,167,840	81.86	923,365	18.14	5,091,205
Farm	63	84.00	12	16.00	75	4,246,166	80.64	1,019,598	19.36	5,265,764
Totals	125	83.33	25	16.676	150	8,414,006	81.24	1,942,963	18.76	10,356,969

Source: Random sample of business and farm loans 2014 through 2017.

State Rating

State of Oklahoma

CRA Rating for Oklahoma: Satisfactory

The Lending test is rated: Satisfactory

The Community development test is rated: Satisfactory

BCNA's overall performance in Oklahoma is "Satisfactory."

- BCNA's distribution of loans to businesses and farms of different income levels is excellent and exceeds the standard for satisfactory performance.
- A geographic distribution analysis was not performed in the Oklahoma non-MSA AA since there are no LMI census tracts in that AA. The Enid MSA AA has no low-income tracts and only three moderate-income tracts. The distribution of business and farm loans in moderate-income tracts is reasonable in light of contextual issues.
- Overall, the level of the bank's CD activities are satisfactory and demonstrate adequate responsiveness to the CD needs of its AAs. The bank generated a satisfactory level of CD loans totaling \$16.6 million. The level of CD investments was excellent totaling \$6.3 million. CD services reflected adequate responsiveness.

Scope of Evaluation in Oklahoma

Two full-scope AAs were selected to be reviewed for the State of Oklahoma. The full-scope AAs are the Oklahoma non-MSA AA and the Enid MSA AA. There are no limited-scope AAs in Oklahoma. Small business and small farm loans were the loan types sampled to assess lending performance. More weight was given to the Oklahoma non-MSA performance since that AA accounts for more of the bank’s loans and deposits.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN OKLAHOMA

LENDING TEST

The bank’s performance under the Lending Test in Oklahoma is rated “Satisfactory.” The bank’s distribution of loans to businesses and farms that generate gross revenues of less than \$1.0 million is excellent. A geographic dispersion analysis was not performed for the Oklahoma non-MSA AA as there are no LMI tracts in that AA. There are no low-income tracts in the Enid MSA AA with only three of the 12 tracts in the AA being designated as moderate-income. Lending to moderate-income tracts was satisfactory considering contextual issues.

Lending to Borrowers of Different Incomes and to Businesses of Different Sizes

Oklahoma non-MSA AA

BCNA’s borrower distribution of loans to businesses is excellent as 85.71 percent of the business loans sampled were to businesses with revenues of less than \$1.0 million, which exceeded the percent of businesses in the area reporting revenues of less than \$1.0 million. However, note that 16.46 percent of the businesses did not report their revenues.

Borrower Distribution of Loans to Businesses in the Oklahoma non-MSA AA				
Business Revenues (or Sales)	≤\$1,000,000	>\$1,000,000	Unavailable/ Unknown	Total
% of AA Businesses	76.18	7.37	16.46	100%
% of Bank Loans in AA by #	85.71	14.29	0.00	100%
% of Bank Loans in AA by \$	64.69	35.31	0.00	100%

Source: Random sample of business loans 2014 through 2017; Dun and Bradstreet data.

BCNA’s borrower distribution of loans to farms is excellent as 100.00 percent of the farm loans sampled were to farms, which exceeded the percent of farms in the area reporting revenues of less than \$1.0 million.

Borrower Distribution of Loans to Farms in the Oklahoma non-MSA AA				
Business Revenues (or Sales)	≤\$1,000,000	>\$1,000,000	Unavailable/Unknown	Total
% of AA Farms	97.59	1.60	0.56	100%
% of Bank Loans in AA by #	100.00	0.00	0.00	100%
% of Bank Loans in AA by \$	100.00	0.00	0.00	100%

Source: Random sample of farm loans 2014 through 2017; Dun and Bradstreet data.

Geographic Distribution of Loans

A geographic distribution of loans was not performed as the Oklahoma non-MSA AA does not contain any LMI tracts.

Lending to Borrowers of Different Incomes and to Businesses of Different Sizes

Enid MSA AA

BCNA’s borrower distribution of loans to businesses is excellent as 100.00 percent of the business loans sampled were to businesses with revenues of less than \$1.0 million, which exceeded the percentage of businesses that reported revenues of less than \$1.0 million in the area.

Borrower Distribution of Loans to Businesses in the Oklahoma non-MSA AA				
Business Revenues (or Sales)	≤\$1,000,000	>\$1,000,000	Unavailable/Unknown	Total
% of AA Businesses	78.60	6.66	14.74	100%
% of Bank Loans in AA by #	100.00	0.00	0.00	100%
% of Bank Loans in AA by \$	100.00	0.00	0.00	100%

Source: Random sample of business loans 2014 through 2017; Dun and Bradstreet data.

BCNA’s borrower distribution of loans to farms is excellent as 100.00 percent of the farm loans sampled were to farms with revenues of less than \$1.0 million, which exceeded the percentage of farms that reported revenues of less than \$1.0 million in the area.

Borrower Distribution of Loans to Farms in the Oklahoma non-MSA AA				
Business Revenues (or Sales)	≤\$1,000,000	>\$1,000,000	Unavailable/Unknown	Total
% of AA Farms	98.74	0.42	0.84	100%
% of Bank Loans in AA by #	100.00	0.00	0.00	100%
% of Bank Loans in AA by \$	100.00	0.00	0.00	100%

Source: Random sample of farm loans 2014 through 2017; Dun and Bradstreet data.

Geographic Distribution of Loans

There are no low-income tracts in the Enid MSA AA. The distribution of loans to businesses in moderate-income tracts reflects a good dispersion as the distribution of business loans is near to the percentage of business located in those tracts.

Geographic Distribution of Loans to Businesses in the Enid MSA AA								
Census Tract Income Level	Low		Moderate		Middle		Upper	
Loan Type	% of AA Businesses	% of Number of Loans	% of AA Businesses	% of Number of Loans	% of AA Businesses	% of Number of Loans	% of AA Businesses	% of Number of Loans
Business Loans	0.00	0.00	33.59	30.00	40.52	30.00	25.89	40.00

Source: Random sample of business loans 2014 through 2017; Dun and Bradstreet data.

The distribution of loans to farms in moderate-income tracts reflects a poor dispersion as the distribution of farm loans is lower than the percentage of farms located in those tracts. However, there are only three moderate-income tracts in the Enid MSA and two of them are located in downtown Enid. While the third tract is rural and east of downtown Enid, opportunities to extend farm loans in moderate-income tracts is somewhat limited. Note that the bank is an active agriculture lender with agriculture loans representing 49 percent of the bank’s total loan portfolio.

Geographic Distribution of Loans to Farms in the Enid MSA								
Census Tract Income Level	Low		Moderate		Middle		Upper	
Loan Type	% of AA Farms	% of Number of Loans	% of AA Farms	% of Number of Loans	% of AA Farms	% of Number of Loans	% of AA Farms	% of Number of Loans
Farm Loans	0.00	0.00	16.81	9.53	47.06	61.90	36.13	28.57

Source: Random sample of farm loans 2014 through 2017; Dun and Bradstreet data.

Lending Gap Analysis

We reviewed summary reports and analyzed BCNA’s lending activity over the evaluation period to identify gaps in the geographic distribution of loans. No unexplained conspicuous gaps were identified. The bank’s AAs consist of whole geographies, meet the requirements of the CRA regulation, and do not arbitrarily exclude any LMI areas.

Responses to Complaints

BCNA has not received any complaints about its performance in helping to meet the credit needs within this AA during the evaluation period.

COMMUNITY DEVELOPMENT TEST

The bank's performance under the Community Development Test is rated "Satisfactory." BCNA's CD performance demonstrates adequate responsiveness to the CD needs of its AAs. The Oklahoma non-MSA AA is primarily comprised of rural, low density areas including Alva, Fairview, and Woodward. The Enid MSA AA is a more densely populated area with Enid being the urban center of the MSA.

BCNA is active in the communities they serve. This is evidenced by their leadership roles in various economic development groups and organizations providing services to LMI individuals. The bank is also involved with, invests in, or lends to individuals or organizations whose focus is on affordable housing, community services, or economic development.

Number and Amount of Community Development Loans

Qualifying CD loans are those that met the definition of CD, as defined in the CRA regulation. BCNA's level of CD loans indicates adequate responsiveness to the needs of the bank's AAs.

Oklahoma non-MSA AA

The level of qualified CD loans in the Oklahoma non-MSA AA reflects adequate responsiveness. The bank has originated or renewed 8 loans totaling \$10.3 million during the evaluation period and has created or retained 18 LMI jobs in the AA.

The bank originated a \$4.5 million line of credit for the construction of a 60 unit motel in Woodward, OK. The construction of the motel lead to the creation of 12 LMI jobs for workers in the area. After construction was completed the remaining balance of \$2.2 million was refinanced into amortizing debt. Another \$3.0 million loan was made to finance operating expenses and cattle purchases for a local cattle operator who employs six LMI workers.

The bank made five affordable housing loans in the AA totaling \$514 thousand. These financed the purchase of four single family homes and the purchase of a 15 unit apartment complex in Alva, OK. Rent and estimated utilities charged for these properties was found to be affordable at less than 30 percent of the Median Family Income. Note that the single family homes are technically HMDA reportable loans; however, these loans were made prior to when the bank became a HMDA reporter in 2016.

Enid MSA AA

The level of qualified CD loans in the Enid MSA AA reflects adequate responsiveness. The bank has originated two loans totaling \$6.3 million during the evaluation period and has created or retained at least 62 LMI jobs in the AA.

The primary CD loan made in this AA was to fund the acquisition of a shopping center in Enid. This loan was a participation with the total amount funded being approximately \$6.1 million. Tenants of the new shopping center included Jumbo Foods, Ace Hardware, and a fitness center. The shopping center created an estimated 50 to 75 jobs for LMI workers in the area. The second

qualifying loan in the AA was \$170 thousand to fund the business operating expenses of a lawn care service in the Enid area. The business employs the equivalent of 12 full-time jobs for LMI workers.

Number and Amount of Qualified Investments

Qualifying investments are investments, deposits, membership shares, or grants that have as their primary purpose CD, as defined in the CRA regulations. BCNA's level of CD investments reflects overall excellent responsiveness to the needs of bank's AAs.

Oklahoma non-MSA AA

The level of qualified CD investments in the Oklahoma Non-MSA AA reflects excellent responsiveness.

BCNA purchased four qualifying investments during the evaluation period totaling approximately \$2.4 million. Three of the investments were bonds issued by the Alfalfa County ISD, which has a majority of students enrolled in the free and reduced lunch program. The total amount purchased was approximately \$1.2 million. Purpose of the bonds were to provide for the construction of a track and field sports complex and for various improvements to existing facilities. A \$1.2 million bond was purchased from the Woodward County ISD, which has a majority of students enrolled in the free and reduced lunch program. Purpose of the bond is for the construction of a facility that includes a storm shelter and practice gym.

The bank made 31 donations totaling \$92.9 thousand during the evaluation period. Donations were primarily made to local organizations in the Oklahoma non-MSA AA. Organization and activities included food banks, youth programs, economic development, and other services.

Enid MSA AA

The level of qualified CD investments in the Enid MSA AA reflects excellent responsiveness.

BCNA purchased eight qualifying investments during the evaluation period totaling \$3.8 million. These were bonds issued by local ISDs including Enid Public Schools, Pioneer-Pleasant Vale, Waukomis, and Emerson. Projects supported by these purchases included the construction of new buildings to accommodate additional students, security upgrades, a fine arts addition, gyms, and other improvements to the schools' existing facilities. All school districts were found to have a majority of students receiving free or reduced lunches.

The bank also made four donations totaling \$6.9 thousand. Recipients of these donations were the Enid Chamber of Commerce and Make a Difference/Feed the Neighborhood. Make a Difference/Feed the Neighborhood is focused on helping elementary students and their families prepare for the upcoming school year by providing various supplies, backpacks, and vouchers for basic clothing items. The majority of schools receiving these services had 74 percent or more of their students qualify for free and reduced lunches.

Extent to Which the Bank Provides Community Development Services

Oklahoma non-MSA AA

The level of qualified CD services reflects adequate responsiveness to the needs of the bank's AA. Seven of the bank's officers served in leadership positions with 11 different organizations that support economic development or provide community services benefiting LMI persons and geographies. The following are examples of qualifying CD services.

Bill Johnson Correctional Facility

This is a dedicated substance abuse/cognitive behavior facility operated by the Oklahoma Department of Corrections. The mission of the facility is to provide a comprehensive regimented substance abuse treatment program, meaningful work opportunities through institutional jobs and the Prison Public Work Program, educational opportunities, and health care services in order to return the inmate to society with the tools necessary to be a productive citizen. CEO Kyle Hughbanks has been a member of the facility's advisory board since 2003.

Woodward Industrial Foundation

The Woodward Industrial Foundation promotes economic development Woodward, OK and the surrounding area. The foundation works with various organizations in order to attract new business to the area and promote growth of existing businesses. These organizations include the Woodward Industrial Foundation, AWEA (wind power), and the High Plains Technology Center. EVP Roger Wagner has been a board member of the group since 2010.

Northwest Family Services

This program provides services to youth, their family members, and significant others who have, or who are at risk of psychiatric disabilities, alcohol or drug abuse, and who are experiencing other behavioral needs. Services provided include temporary, emergency care of youth, first offender program for adolescents, divorce counseling, and counseling to youth who are runaways, homeless or in unhealthy family situations. The program operates in Alfalfa County, Woods County, and Major County. CEO Kyle Hughbanks has been a board member of the group since 2008.

Enid MSA AA

The level of qualified CD services reflects adequate responsiveness to the needs of the bank's AA. Two officers of the bank were involved in youth programs targeted towards LMI students and youths.

Autry Technology Center

The Autry Technology Center provides various curriculum on areas of study, such as, accounting, business management, nursing, construction, plumbing, and ACT preparation. Courses are primarily targeted towards high school students. All high school graduates of the district pay no tuition for full-time training programs. CO Kim Baugh serves an advisor for the Accounting, Business Management, and Entrepreneurship programs. She provides guidance and feedback towards developing curriculum of the career training programs as well.

Back-A-Youth (YMCA)

The Back-A-Youth is a campaign to raise money for underprivileged children to be applied for membership to the YMCA in Enid, OK. In 2017, the campaign was able to raise more than \$360 thousand, which funded 19 thousand memberships. Services provided by the YMCA include childcare, youth sports, swim lessons, and other community programs. An officer of the bank has served as the Capital Campaign Co-Chair and Team Captain for the 2017 and 2018 campaigns.

Responsiveness to Community Development Needs

Overall, BCNA has demonstrated adequate responsiveness to the needs and opportunities in their AAs. The level of CD lending is satisfactory with \$16.6 million, while qualified donations and investments were excellent at \$6.3 million. Several bank officers have taken on leadership positions with local organizations that provide community services to LMI persons and promote economic development within the bank's AAs.

State Rating

State of Kansas

CRA rating for the Kansas: Satisfactory

The Lending Test is rated: Satisfactory

The Community Development Test is rated: Satisfactory

BCNA's overall performance in Kansas is "Satisfactory."

- CBNA's distribution of loans to businesses and farms of different income levels reflects an excellent penetration and exceeds the standard for satisfactory performance.
- A geographic distribution analysis was not performed since there are no LMI census tracts in this AA.
- Overall, the level of the bank's CD activities are satisfactory and demonstrate adequate responsiveness to the CD needs of its AAs. The bank generated a satisfactory level of CD loans totaling \$3.4 million. The level of CD investments was satisfactory totaling \$1.1 million. CD services reflected adequate responsiveness.

Scope of Evaluation in Kansas

One full-scope AA was selected to be reviewed for the State of Kansas. The full-scope AA is the Kansas non-MSA AA. There are no limited-scope AAs in Kansas. Business and farm loans were the primary loan types sampled to assess lending performance.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN KANSAS

LENDING TEST

The bank's performance under the Lending Test in Kansas is rated "Satisfactory." The bank's distribution of loans to businesses and farms that generate gross revenues of less than \$1.0 million is excellent. A geographic dispersion analysis was not performed for the Kansas non-MSA AA as there are no LMI tracts in that AA. All five tracts in the AA are designated as underserved and distressed middle-income tracts.

Lending to Borrowers of Different Incomes and to Businesses of Different Sizes

Kansas non-MSA AA

BCNA’s borrower distribution of loans to businesses is excellent as 95.24 percent of the business loans sampled were to businesses with revenues of less than \$1.0 million, which exceeded the percentage of businesses that reported revenues of less than \$1.0 million in the area. However, note that 18.18 percent of the businesses did not report their revenues.

Borrower Distribution of Loans to Businesses in the Kansas non-MSA AA				
Business Revenues (or Sales)	≤\$1,000,000	>\$1,000,000	Unavailable/Unknown	Total
% of AA Businesses	75.83	5.99	18.18	100%
% of Bank Loans in AA by #	95.24	4.76	0.00	100%
% of Bank Loans in AA by \$	96.07	3.93	0.00	100%

Source: Random sample of business loans from 2014 through 2017; Dun and Bradstreet data.

BCNA’s borrower distribution of loans to farms is excellent as 100.00 percent of the farm loans sampled were to farms with revenues of less than \$1.0 million, which exceeded the percentage of farms that reported revenues of less than \$1.0 million in the area.

Borrower Distribution of Loans to Farms in the Kansas non-MSA AA				
Business Revenues (or Sales)	≤\$1,000,000	>\$1,000,000	Unavailable/Unknown	Total
% of AA Farms	99.57	0.00	0.43	100%
% of Bank Loans in AA by #	100.00	0.00	0.00	100%
% of Bank Loans in AA by \$	100.00	0.00	0.00	100%

Source: Random sample of farm loans 2014 through 2017; Dun and Bradstreet data.

Geographic Distribution of Loans

A geographic distribution of loans was not performed as the Kansas non-MSA AA does not contain any LMI tracts.

Responses to Complaints

BCNA has not received any complaints about its performance in helping to meet the credit needs within this AA during the evaluation period.

COMMUNITY DEVELOPMENT TEST

The bank's performance under the Community Development Test is rated "Satisfactory." BCNA's CD performance demonstrates adequate responsiveness to the CD needs of its AAs. The AA is primarily comprised of rural, low density areas including the cities of Harper, Anthony, and Medicine Lodge.

BCNA is involved in the communities they serve. This is evidenced by their leadership roles in organizations that promote economic development or provide services to LMI individuals. The bank is also involved with, invests in, or lends to individuals or organizations whose focus is on affordable housing, community services, or economic development.

Number and Amount of Community Development Loans

Kansas non-MSA AA

The level of qualified CD loans in the Kansas non-MSA AA reflects adequate responsiveness. The bank originated seven loans totaling \$3.4 million during the evaluation period and has created or retained 11 LMI jobs in the AA.

The largest loan in the AA a \$3.0 million vehicle floor plan loan for a dealership in Harper, KS. The loan helped to retain jobs for eight LMI workers at the dealership. A \$240 thousand loan was made for the purchase of a 22 room motel in Harper, KS. This motel is expected to help revitalize and stabilize the distressed, underserved middle-income tract in which it is located. It was also noted that the motel resulted in the employment of one full-time and two part-time LMI employees.

The bank extended five loans for affordable housing in the AA totaling approximately \$296 thousand. Affordable housing loans in the AA included a refinance of a 12 unit apartment complex in Harper, KS and two single family residences. Rent and estimated utilities charged for these properties was found to be affordable at less than 30 percent of the Median Family Income. Note that the single family homes are technically HMDA reportable loans; however, these loans were made prior to when the bank became a HMDA reporter.

Number and Amount of Qualified Investments

Kansas non-MSA AA

The level of qualified CD investments in the Kansas non-MSA AA reflects adequate responsiveness.

BCNA purchased five qualifying investments during the evaluation period totaling approximately \$1.0 million. Three of the five investments were bonds issued for improvements to sewer and water systems in the cities of Harper, KS and Anthony KS. Both cities are located in distressed underserved middle-income tracts that depend on grants and debt to fund major infrastructure improvements. The other two investments were bonds issued by the Pratt County Kansas Public

Building Commission. Funds were associated with the refinance of construction and renovation costs of the Pratt Regional Medical Complex. While the complex is not located with the bank's AA, it provides services to all of south central Kansas, which would include the bank's AA.

The bank made a total of nine donations totaling \$33 thousand during the evaluation period. Donation recipients included the Harper Chamber of Commerce, local food bank, a financial literacy program, and Meals on Wheels.

Extent to Which the Bank Provides Community Development Services

Kansas non-MSA AA

The level of qualified CD services reflects adequate responsiveness to the needs of the bank's AA. An officer of the bank was active with two CRA qualified groups during the evaluation period.

Harper County Community Foundation

This foundation collects donations and makes grants to charitable organizations on behalf of donors. Recipients include the Anthony Food Bank, Anthony Christian Church for Community Youth Group Meals, I Like Me Drug Free Program, and the Harper Mission Mart. VP Kerry Schroeder served as a board member of the foundation from 2010 to 2016.

Harper Chamber of Commerce

The Harper Chamber of Commerce is active in the community and promotes economic development by helping small businesses and working to attract larger businesses to the area in order to foster job growth. VP Kerry Schroeder was the Treasurer in 2014 and a VP in 2015.

Responsiveness to Community Development Needs

Overall, BCNA has demonstrated adequate responsiveness to the needs and opportunities in their AA. The level of CD activities is satisfactory with \$3.4 million in CD loans and 1.0 million in qualified investments and donations. A bank officer has taken leadership positions in the community through organizations that provide services to LMI persons and promote economic development.

Appendix A: Scope of Examination

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

Time Period Reviewed	Lending Test (excludes CD loans): (01/01/14 to 12/31/17) Investment and Service Tests and CD Loans: (01/22/14 to 04/16/17)	
Financial Institution	Products Reviewed	
(BancCentral National Association (BCNA, Alva, Oklahoma))	Small Business Small Farm	
Affiliate(s)	Affiliate Relationship	Products Reviewed
<i>[Instructions: Provide only if affiliate products are reviewed.]</i> (Name of Affiliate (Abbreviation))	N/A	
List of Assessment Areas and Type of Examination		
Assessment Area	Type of Exam	Other Information
Oklahoma Oklahoma non-MSA Enid MSA	Full-Scope Full-Scope	
Kansas Kansas non-MSA	Full-Scope	

Appendix B: Summary of Multistate Metropolitan Area and State Ratings

RATINGS		BANK NAME	
Overall Bank:	Lending Test Rating	Community Development Test Rating	Overall Bank/State/Multistate Rating
BancCentral N.A.	Satisfactory	Satisfactory	Satisfactory
Multistate Metropolitan Area or State:			
Oklahoma	Satisfactory	Satisfactory	Satisfactory
Kansas	Satisfactory	Satisfactory	Satisfactory

Appendix C: Community Profiles for Full-Scope Areas

State of Oklahoma

Oklahoma non-MSA AA

Demographic Information for Full-Scope Area: Oklahoma non-MSA AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	16	0.00	0.00	43.75	56.25	0.00
Population by Geography	47,240	0.00	0.00	36.47	65.53	0.00
Owner-Occupied Housing by Geography	12,622	0.00	0.00	34.33	65.67	0.00
Businesses by Geography	3,245	0.00	0.00	36.27	63.73	0.00
Farms by Geography	374	0.00	0.00	32.62	67.38	0.00
Family Distribution by Income Level	11,597	15.19	12.14	18.40	54.26	0.00
Median Family Income HUD Adjusted Median Family Income for 2017 Households Below the Poverty Level	= \$51,698 = \$52,800 = 13.68%	Median Housing Value Unemployment Rate		= \$95,668 = 2.59%		

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2010 U.S. Census, and 2017 HUD updated MFI.

The Oklahoma non-MSA was designated as one of the two full-scope AAs in the State of Oklahoma. The AA consists of five counties in their entirety located in north central Oklahoma: Alfalfa County, Harper County, Major County, Woods County and Woodward County. The non-MSA AA has 16 CTs: zero LMI CTs, seven middle-income CTs, and nine upper-income CTs.

CBNA operates two of its five branches in this AA. One branch is located in Alva and the other is located in Woodward. Population of the area totals 47,240. There are 21,666 total housing units, of which 12,622 or 58.26 percent are owner occupied. Households below the poverty level total 2,374 or 13.68 percent and households that receive public assistance totals 346 or 1.99 percent of the total number of households. There were no branch openings or closings in this AA during the evaluation period.

The local economy is recovering from a significant downturn in the oil and gas industry. Oil prices have rebounded to an extent and has allowed the local economy to stabilize. The economy has also been negatively impacted by low crop prices and volatile cattle prices. Average unemployment is low. Major employers include Northwestern Oklahoma State University, Alva Public Schools, and Share Medical Center.

A community contact conducted in the area indicated a need for affordable housing and upper-end housing. They also stated that the housing shortage relates to the lack of local home builders and contractors. It was also noted that there is a need for additional hotels and restaurants. The contact states that local banks are very involved in the community.

Enid MSA AA

Demographic Information for Full-Scope Area: Enid MSA AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	12	0.00	25.00	50.00	25.00	0.00
Population by Geography	62,192	0.00	30.43	44.20	25.38	0.00
Owner-Occupied Housing by Geography	15,938	0.00	26.55	40.26	33.18	0.00
Businesses by Geography	3,561	0.00	33.59	40.52	25.89	0.00
Farms by Geography	238	0.00	16.81	47.06	36.13	0.00
Family Distribution by Income Level	16,911	19.03	19.92	22.29	38.77	0.00
Median Family Income HUD Adjusted Median Family Income for 2017 Households Below the Poverty Level	= \$57,419 = \$56,200 = 11.86%	Median Housing Value Unemployment Rate		= \$97,211 = 2.84%		

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2010 U.S. Census, and 2017 HUD updated MFI.

The Enid MSA was designated as one of the two full-scope AAs in the State of Oklahoma. The AA consists of one county in its entirety located in north central Oklahoma: Garfield County. The non-MSA AA has 12 CTs: zero low-income CTs, three moderate-income CTs, six middle-income CTs, and three upper-income CTs.

CBNA operates one of its five branches in this AA located in Enid, OK. Population of the area totals 62,192. There are 26,856 total housing units, of which 15,938 or 59.35 percent are owner occupied. Households below the poverty level total 2,838 or 11.86 percent and households that receive public assistance totals 1,036 or 4.33 percent of the total number of households. There were no branch openings or closings in this AA during the evaluation period.

Primary industries in Garfield County are agriculture and livestock. Crops include wheat, corn, oats, sorghum, and alfalfa. In addition, oil and gas and flour milling have been an important part of the local economy. The county seat of Garfield County, Enid, OK, has the most grain storage in the United States and one of the largest grain elevators in the world. Vance Air Force Base is a major employer in the area for both military and civilians. The local economy is recovering from a significant downturn in the oil and gas industry. Oil prices have rebounded to an extent and has allowed the local economy to stabilize. The economy has also been negatively impacted by low crop prices and volatile cattle prices. Average unemployment is low.

A community contact conducted in the area indicated a need for financing for affordable housing. Housing at all price points has not kept pace with increased population stemming from the oil and gas boom. The contact states that local banks are very involved in the community.

State of Kansas

Kansas non-MSA AA

Demographic Information for Full-Scope Area: Kansas non-MSA AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	5	0.00	0.00	100.00	0.00	0.00
Population by Geography	10,631	0.00	0.00	100.00	0.00	0.00
Owner-Occupied Housing by Geography	3,302	0.00	0.00	100.00	0.00	0.00
Businesses by Geography	935	0.00	0.00	100.00	0.00	0.00
Farms by Geography	232	0.00	0.00	100.00	0.00	0.00
Family Distribution by Income Level	2,820	17.41	17.77	22.09	42.73	0.00
Median Family Income HUD Adjusted Median Family Income for 2017 Households Below the Poverty Level	= \$56,877 = \$60,300 = 13.80%	Median Housing Value Unemployment Rate			= \$73,701 = 1.97%	

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2010 U.S. Census, and 2017 HUD updated MFI.

The Kansas non-MSA was designated as the one full-scope AAs in the State of Kansas. The AA consists of two counties in their entirety located in south central Kansas: Barber County and Harper County. The non-MSA AA has five CTs. All five CTs are designated as distressed and underserved middle-income tracts.

CNA operates two of its five branches in this AA. One branch is located in Anthony, KS and the other is located in Harper, KS. Population of the area totals 10,631. There are 5,940 total housing units, of which 3,302 or 55.59 percent are owner occupied. Households below the poverty level total 609 or 13.80 percent and households that receive public assistance totals 31 or 0.70 percent of the total number of households. These two branches were acquired during the evaluation period in June 2014.

The local economy is recovering from a significant downturn in the oil and gas industry. Oil prices have rebounded to an extent and has allowed the local economy to stabilize. The economy has also been negatively impacted by low crop prices and volatile cattle prices. Average unemployment is low. Major employers include the Gyp Rock Plant that employs several people and supplies gypsum rock to other entities.