



PUBLIC DISCLOSURE

December 31, 2012

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Trustmark National Bank
Charter Number: 10523

248 East Capitol Street
Jackson, Mississippi 39201

Office of the Comptroller of the Currency

**Assistant Deputy Comptroller – Midsize Bank Supervision
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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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General Information and Overall CRA Rating

The Community Reinvestment Act (CRA) requires each federal financial supervisory agency to use its authority, when examining financial institutions subject to its supervision, to assess the institution's record of meeting the credit needs of its entire community, including low- and moderate-income (LMI) neighborhoods, consistent with the safe and sound operation of the institution. Upon conclusion of such examination, the agency must prepare a written evaluation of the institution's record of meeting the credit needs of its community.

This document is an evaluation of the CRA performance of **Trustmark National Bank** issued by the OCC, the institution's supervisory agency, for the evaluation period ended December 31, 2012. The agency rates the CRA performance of an institution consistent with the provisions set forth in Appendix A to 12 CFTR Part 25.

Institution's **CRA Rating**: This institution is rated **Outstanding**.

The following table indicates the performance level of **Trustmark National Bank (TNB or bank)** with respect to the Lending, Investment, and Service Tests:

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

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

The major factors that support this rating include:

- The bank's originated a majority of loans inside its assessment areas.
- The bank's lending activity is excellent.
- The bank's geographic distribution of home mortgage loans is adequate and the geographic distribution of small loans to businesses is excellent.
- The bank's distribution of home mortgage loans by income level of the borrower is adequate.
- The bank's distribution of loans to businesses with different revenue sizes is adequate.

- Community development lending had a significantly positive impact on the Lending Test in Mississippi, and a neutral impact in Florida, Texas, and the Memphis multistate MSA. Loans supported affordable housing initiatives, activities that promoted economic development in the assessment areas (AA), and activities that revitalized or stabilized LMI census tracts.
- The bank has an overall excellent level of qualified community development investments that are highly responsive to community needs.
- For the overall bank and within Mississippi, service delivery systems are readily accessible to all portions of the AAs, commensurate with the size and scope of operations of the bank. In the Memphis multistate MSA and the state of Texas, the bank's branches were reasonably accessible to geographies and individuals of different income levels in the AAs. In the state of Florida branches were accessible throughout the AAs.
- TNB provides a relatively high level of community development services.

Definitions and Common Abbreviations

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

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

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

Census Tract (CT) – 2000 Census: A small subdivision of metropolitan and other densely populated counties. Census tract boundaries do not cross county lines; however, they may cross the boundaries of metropolitan areas. Census tracts usually have between 2,500 and 8,000 persons, and their physical size varies widely depending upon population density. Census tracts are designed to be homogeneous with respect to population characteristics, economic status, and living conditions to allow for statistical comparisons.

Census Tract (CT) – 2010 Census: Small, relatively permanent statistical subdivisions of a county delineated by local participants as part of the U.S. Census Bureau's Participant Statistical Areas Program. The primary purpose of CTs is to provide a stable set of geographic units for the presentation of decennial census data. CTs generally have between 1,500 and 8,000 people, with an optimum size of 4,000 people.

Community Development (CD): Affordable housing (including multifamily rental housing) for low- or moderate-income individuals; community services targeted to low- or moderate-income individuals; activities that promote economic development by financing businesses or farms that meet the size eligibility standards of the Small Business Administration's Development Company or Small Business Investment Company programs (13 CFR 121.301) or have gross annual revenues of \$1 million or less; or, activities that revitalize or stabilize low- or moderate-income geographies.

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

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

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

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

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

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

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

Home Mortgage Disclosure Act (HMDA): The statute that requires certain mortgage lenders that do business or have banking offices in a metropolitan statistical area to file annual summary reports of their mortgage lending activity. The reports include such data as the race, gender, and the income of applications, the amount of loan requested, and the disposition of the application (e.g., approved, denied, and withdrawn). Beginning in 2004, the reports also include data on 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) – 2000 Census: The median income determined by the U.S. Census Bureau every ten years and used to determine the income level category of geographies. Also, the median income determined by the Department of Housing and Urban Development annually that is used to determine the income level category of individuals. For any given area, the median is the point at which half of the families have income above it and half below it.

Median Family Income (MFI) – 2010 Census: The median income derived from the United States Census Bureau's American Community Survey data every 5 years and used to determine the income level category of geographies. Also, it is the median income determined by the Federal Financial Institution's Examination Council (FFIEC) annually that is used to determine the income level of individuals within a geography. For any given geography, 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 (MD): As defined by Office of Management and Budget, a county or group of counties within a Metropolitan Statistical Area that contains a population of at least 2.5 million. A Metropolitan Division consists of one or more counties that represent an employment center or centers, plus adjacent counties associated with the main county or counties through commuting ties.

Metropolitan Statistical Area (MSA): An area, defined by the Office of Management and Budget, as having at least one urbanized area that has a population of at least 50,000. The Metropolitan Statistical Area comprises the central county or counties, plus adjacent outlying

counties having a high degree of social and economic integration with the central county as measured through commuting.

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

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

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

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

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

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

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

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

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

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

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

Description of Institution

Trustmark National Bank (TNB) is an interstate financial institution headquartered in Jackson, Mississippi. TNB is a wholly-owned subsidiary of Trustmark Corporation (TMC), a \$9.8 billion multi-bank holding company also headquartered in Jackson, Mississippi. TNB conducts business in the states of Florida, Mississippi, Tennessee, and Texas. As of December 31, 2012, TNB had total assets of \$9.7 billion, total loans of \$5.9 billion, and Tier One Capital of \$1.0 billion.

TNB primarily engages in generating deposits and originating loans. According to the FDIC Deposit Market Share Report, dated June 30, 2012, TNB had deposits of \$7.8 billion. TNB is the third largest commercial bank operating in the State of Mississippi and the largest financial institution doing business in the Jackson, MS Metropolitan Statistical Area (MSA). As of December 31, 2012, the bank had net of loans of \$5.8 billion, representing 59.8 percent of total assets. Approximately 65.7 percent of the bank's loan portfolio was comprised of real estate loans, of which commercial real estate and 1-4 family residential properties (50.3 percent and 47.6 percent, respectively) represented the predominant portion of the loan portfolio. Commercial and industrial loans made up 19.8 percent of the total loan portfolio. Other loans and leases made up 11.1 percent of the total loan portfolio and loans to individuals for household, family, and personal expenditures comprised 2.9 percent of the portfolio.

As of December 31, 2012, TNB was a full-service bank with 166 full-service banking offices and 100 deposit-taking Automated Teller Machines (ATMs) across its footprint. TNB offers a full range of loan and deposit products to businesses and individuals, including alternative retail services including direct deposit, free checking accounts, and access to electronic banking services such as bill payment, mobile banking and e-statements. TNB offers a standard product mix of loans including FHA, VA, SBA, and private student loans. Although the bank's business strategy is not limited to any one business endeavor, its primary focus is retail banking in addition to providing banking services to small and medium size commercial enterprises. TNB maintains a trust department, and provides investment and insurance products and services to its customers through its affiliates and wholly owned subsidiaries, Fisher Brown Bottrell Insurance, Inc. and Trustmark Investment Advisors. In September 2012, TNB also established Southern Community Capital, LLC (SCC), a community development entity certified under the New Markets Tax Credit Program administered by the Community Development Financial Institutions Fund. SCC has a primary mission to serve and provide investment capital for low-income communities, or low-income persons. The activities of these entities have no CRA impact in this evaluation period.

Acquisition activity positively affected the scope of the bank's operations during the evaluation period, expanding the bank's footprint in Mississippi as well as Florida. In 2011, TNB acquired Heritage Bank (Carthage, MS) in an FDIC assisted transaction. In 2012, TNB acquired Bay Bank and Trust (Panama City, FL), which was a non-assisted transaction.

There are no known legal, financial, or other factors impeding the bank's ability to help meet the credit needs of its assessment areas. The bank received an Outstanding rating in its previous CRA evaluation dated April 12, 2010.

Scope of the Evaluation

Evaluation Period/Products Evaluated

We analyzed home purchase, home improvement, and home refinance mortgage loans the bank reported under the Home Mortgage Disclosure Act (HMDA) and small loans made to businesses the bank reported under the Community Reinvestment Act (CRA), for the period January 1, 2010 through December 31, 2012. Multifamily loans are not a primary loan product, therefore, we did not evaluate this product separately. However, we did consider multifamily loans meeting the community development (CD) definition as part of the evaluation of CD lending. Primary loan products for this review are products in which the bank originated at least 20 loans within the AA during the evaluation period. Performance tables one through 12 in Appendix D include only data covered by the 2000 Census, namely 2010 through 2011. Data from 2012 is discussed in the applicable narrative sections of the evaluation. We reviewed community development loans, investments, and services for the period April 12, 2010 through December 31, 2012.

Data Integrity

As part of our ongoing supervision of the bank, we tested the accuracy of the bank's HMDA and CRA lending data. We also reviewed the appropriateness of community development activities provided for consideration in our evaluation. This included testing of CD loans, investments, and services for accuracy and to determine if they qualify as community development as defined in the CRA regulation. Our testing indicated no substantive inaccuracies in the data. Therefore, we concluded that the home mortgage loans, small loans to businesses, and CD activities data could be relied upon for this examination.

Selection of Areas for Full-Scope Review

We selected at least one AA in each state where the bank has an office for a full-scope review. In addition, we reviewed the bank's performance within one Multistate Metropolitan Area where the bank operated branches in at least two states within the multistate metropolitan area using full-scope procedures. Full-scope reviews consider performance context, quantitative and qualitative factors. In general, the AAs selected for the full-scope review were chosen because they represented a significant portion of the bank's deposit base and lending business in that state or multistate area. The other AAs in each state were analyzed using limited-scope procedures. Limited-scope procedures consider quantitative factors only. Refer to the "Scope" section under each State and Multistate Metropolitan Area Rating section for details regarding how we selected the areas for review.

Ratings

In this evaluation, we placed more weight on the bank's performance in 2010 through 2011 than to its performance in 2012 to reach our conclusions. The bank's overall rating is a blend of the multistate metropolitan area rating(s) and state ratings, based on results in those areas that received full-scope reviews. The state of Mississippi carried the greatest weight in our conclusions due to this area representing the bank's most significant market in terms of deposit concentrations, branch distribution, and CRA reportable loans. At June 30, 2012, the

state of Mississippi represented 82.6 percent of total deposits, 72.9 percent of the branch network, and 85.9 percent of the CRA reportable loans during the evaluation period. Refer to the “Scope” section under each State and Multistate Metropolitan Area Rating section for details regarding how the areas were weighted in arriving at the respective ratings.

Additionally, when evaluating the bank’s performance under the lending test, we placed a higher value on the bank’s distribution of home mortgage loans than the distribution of small business loans. Within the home mortgage loan category, greater weight was placed on home refinance and home purchase loans, with home improvement loans receiving substantially less weight. We placed emphasis on home loans due to it being the bank’s primary loan product and based on the affordable housing credit needs in all AAs. Secondary emphasis was placed on small business loan performance due to the identified community credit need in all AAs.

Inside/Outside Ratio

This ratio is a bank-wide calculation, and not calculated by individual rating area or AA. Analysis is limited to bank originations and purchases, and does not include any affiliate data. For the combined three-year evaluation period, TNB originated a majority of all loan products inside the bank’s AAs (74.6 percent). The percentage in number of loans made inside the AAs by loan type are as follows: home refinance loans (67.3 percent), home purchase loans (64.1 percent), home improvement loans (87.5 percent), small loans to businesses (92.6 percent) and small loans to farms (83.8 percent).

Fair Lending or Other Illegal Credit Practices Review

Pursuant to 12 C.F.R. 25.28(c), or 12 C.F.R. 195.28(c), in determining a national bank’s (bank) or Federal savings association’s (FSA) CRA rating, respectively, the OCC considers evidence of discriminatory or other illegal credit practices in any geography by the bank or FSA, or in any assessment area by an affiliate whose loans have been considered as part of the bank’s or FSA’s lending performance.

We found no evidence of discriminatory or other illegal credit practices inconsistent with helping to meet community credit needs.

Multistate Metropolitan Area Rating

Memphis (TN-MS-AR) MMSA

CRA rating for the Memphis (TN-MS-AR) MMSA¹: Satisfactory

The lending test is rated: Low Satisfactory

The investment test is rated: Outstanding

The service test is rated: Low Satisfactory

The major factors that support this rating include:

- A good level of lending for home mortgage loans, small loans to businesses, and farms;
- An excellent borrower distribution of home mortgage loans and small loans to farms, while the borrower distribution of small loans to businesses was adequate;
- A very poor geographic distribution of home mortgage loans and small loans to farms, and poor distribution of small loans to businesses;
- An excellent level of community development investments and donations that addressed the need for affordable housing and community services targeted to low- and moderate-income families;
- A branch distribution that is reasonably accessible to individuals living in low- and moderate-income geographies; and
- An excellent level of community development services that were responsive to community needs.

Description of Institution's Operations in Memphis (TN-MS-AR) Multistate Metropolitan MSA

TNB had one AA within the Memphis Multistate MSA. The Memphis MMSA consists of two counties: Desoto County in the state of Mississippi, and Shelby County in the state of Tennessee. Both counties closely surround the city of Memphis, Tennessee. TNB had 17 branches within the multistate area, representing 10.2 percent of the bank's total branch network. There was one branch closing and no branch openings in the MMSA during the evaluation period. TNB had no deposit-taking ATMs in the MMSA.

As of June 30, 2011, bank deposits in the Memphis MMSA totaled \$462.9 million, ranking seventh with a 2.3 percent market share. Deposit competitors include First Tennessee Bank ranking first with 33.8 percent of deposits and Regions Bank ranking second with 17.8 percent of deposits. These banks, in addition to the next three top competitors, SunTrust Bank, Bancorp South, and Independent Bank, together hold 70.0 percent of the market share.

¹ This rating reflects performance within the multistate metropolitan area. The statewide evaluations do not reflect performance in the parts of those states contained within the multistate metropolitan area.

The Memphis Multistate MSA's deposits accounted for approximately 6.3 percent of the bank's total deposits.

Refer to the market profile for the Memphis multistate metropolitan area in Appendix C for detailed demographics and other performance context information for this full-scope review area.

Scope of Evaluation in Memphis Multistate Metropolitan Area

The Memphis Multistate MSA was subject to a full-scope review. The AA had a 14.1 percent poverty rate, based on 2000 census data and a 15.7 percent poverty rate based on 2010 census data. In 2000, 12.0 percent of the families in the AA were living below the poverty level. In 2010, 14.1 of the families were living below the poverty level. These factors make it difficult for a low-income family to afford a home in this AA.

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Lending Test in the Memphis (TN-MS-AR) Multistate MSA is rated "Low Satisfactory." Based on full-scope review, the bank's performance in the Memphis MMSA is adequate.

Lending Activity

Refer to Table 1, Lending Volume, in the Memphis MMSA section of Appendix D, for the facts and data used to evaluate the bank's lending activity.

Lending activity in the Memphis MMSA is good, considering the strong competition for all types of loans in the marketplace. Intense competition by megabank lenders is a mitigating factor for the rating.

In the Memphis MMSA, TNB has a deposit market share of 2.3 percent and ranked 7th among 46 depository institutions. For small loans to businesses, TNB ranked 15th among 77 lenders with a 1.1 percent market share. Five of the large banks ahead of TNB dominated the market with a combined market share of 62.4 percent. Individual market shares of these banks ranged from 6.5 percent to 28.5 percent. For home purchase lending there are 230 lenders in the AA reflecting strong competition. TNB ranked 24th in home purchase lending with a 0.8 percent market share, 3rd in home improvement lending with a 6.0 percent market share, and 19th in home refinance lending with 1.1 percent market share. There are 304 lenders that made home refinance loans in the AA.

Distribution of Loans by Income Level of Geography

Overall, the geographic distribution of the bank's lending is very poor. As noted previously, more weight was given to the bank's performance in 2010 and 2011 than to its performance in 2012.

Home Mortgage Loans

Overall, the geographic distribution of home mortgage loans is very poor.

Refer to Tables 2, 3, 4, and 5 in the Memphis MMSA in Appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations/purchases.

The overall geographic distribution of home purchase loans is very poor. The bank's geographic distribution of home purchase loans during 2010 through 2011 was very poor. The percentage of loans in both low and moderate-income geographies was significantly below the percentage of owner-occupied units in these geographies. With an overall market share of 0.8 percent, an analysis of lending in low- and moderate-income geographies was not meaningful. The bank's geographic distribution of home purchase loans for 2012 was not inconsistent with its geographic distribution of these loans in 2010 through 2011.

The overall geographic distribution of home improvement loans is very poor. The bank's geographic distribution of home improvement loans during 2010 through 2011 was very poor. The percentage of loans in moderate-income geographies was significantly below the percentage of owner-occupied units in these geographies. The bank did not make any loans in low-income geographies. The bank's market share was significantly below its overall market share and was very poor. The bank's geographic distribution of home improvement loans was stronger in 2012 than in 2010 through 2011 and was poor. This stronger performance was due to the percentage of loans in moderate-income geographies being below the percentage of owner-occupied units in these geographies, which partially offset otherwise very poor performance in low-income geographies.

The overall geographic distribution of home refinance loans is very poor. The bank's geographic distribution of home refinance loans during 2010 through 2011 was very poor. The percentage of loans in both low- and moderate-income geographies was significantly below the percentage of owner-occupied units in these geographies. The bank's market share was well below its overall market share and was poor. The bank's geographic distribution of home purchase loans for 2012 was not inconsistent with its geographic distribution of these loans in 2010 through 2011.

Small Loans to Businesses

Overall, the geographic distribution of small loans to businesses is poor.

Refer to Table 6 in the Memphis MMSA section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to businesses.

The overall geographic distribution of small loans to businesses is poor. The bank's geographic distribution of small loans to businesses in 2010 through 2011 was very poor. The percentage of loans in both low- and moderate-income geographies was significantly below the percentage of small businesses in these geographies. The bank's market share in low-

and moderate-income geographies was well below the bank's overall market share. The bank's geographic distribution of small loans to businesses for 2012 was stronger than its performance in 2010 through 2011 and was adequate. This performance had a positive impact on the overall small loans to businesses geographic distribution conclusion. The stronger performance was due to poor performance in low-income geographies and adequate performance in moderate-income geographies. Greater weight was placed on the bank's performance in moderate-income geographies because there were slightly more small businesses located in moderate-income areas.

Small Loans to Farms

Overall, the geographic distribution of small loans to farms is very poor. As mentioned previously, the bank did not originate or purchase a sufficient number of small loans to farms in 2012 to analyze.

Refer to Table 7 in the Memphis MMSA section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to farms.

The overall geographic distribution of small loans to farms is very poor. The bank's geographic distribution of small loans to farms in 2010 through 2011 was very poor. The bank did not originate or purchase any small farm loans in low- or moderate-income geographies.

Lending Gap Analysis

We reviewed summary reports and maps and analyzed TNB's home mortgage, small business, and small farm lending activity over the evaluation period to identify any gaps in the geographic distribution of loans. We did not identify any unexplained conspicuous gaps. All of the bank's AAs consist of whole geographies, meet the requirements of the CRA regulation, and do not arbitrarily exclude any low- or moderate-income areas.

Distribution of Loans by Income Level of the Borrower

The overall borrower distribution of the bank's lending is good. As noted earlier, more weight was given to the bank's performance in 2010 through 2011 than to its performance in 2012.

Home Mortgage Loans

The overall borrower distribution of home mortgage lending is excellent.

Refer to Tables 8, 9 and 10 in the Memphis MMSA section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

The overall borrower distribution of home purchase loans is excellent. The bank's borrower distribution of home purchase loans during 2010 through 2011 was excellent. The portion of home purchase loans to low-income borrowers was near to the percentage of low-income families. The portion of home purchase loans to moderate-income borrowers significantly exceeded the percentage of moderate-income families and was excellent. With an overall

market share of 0.7 percent, an analysis of lending distribution to low- and moderate-income families was not meaningful. The bank's distribution of home purchase loans for 2012 is not inconsistent with the performance noted in 2010 through 2011.

The overall borrower distribution of home improvement loans is excellent. The bank's borrower distribution of home improvement loans during 2010 through 2011 was excellent. The portion of loans to low- income borrowers was near the percentage of such families. The portion of loans to moderate-income borrowers significantly exceeded the percentage of low-income families. The bank's market share to low- and moderate-income borrowers exceeded the bank's overall market share and was excellent. The bank's distribution of home improvement loans for 2012 is not inconsistent with the performance noted in 2010 through 2011.

The overall borrower distribution of home refinance loans is good. The bank's borrower distribution of home refinance loans during 2010 through 2011 was good. The portion of loans to low-income borrowers was well below the percentage of such families. The portion of loans to moderate-income borrowers was near the percentage of such families, and was excellent. The bank's market share to low- and moderate-income borrowers exceeded the bank's overall market share, and was excellent. The bank's distribution of home refinance loans for 2012 was not inconsistent with the performance noted in 2010 through 2011.

Small Loans to Businesses

The overall borrower distribution of small loans to businesses is adequate.

Refer to Table 11 in the Memphis MMSA section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination and purchase of small loans to businesses.

The overall borrower distribution of small loans to businesses is adequate. The bank's borrower distribution of small loans to businesses in 2010 through 2011 was adequate. The percentage of small loans to small businesses (businesses with gross annual revenue of \$1 million or less) was well below the percentage of small businesses. However, the bank has significant competition from megabanks for example, GE Capital, as well other large regional banks such as Regions and First Tennessee Bank. The bank's market share to businesses with revenue of \$1 million or less was near its overall market share, which was just over one percent. The distribution of the bank's small loans in 2012 was weaker than the performance noted in 2010 through 2011 and was considered poor.

Small Loans to Farms

The overall borrower distribution of small loans to farms is excellent. As mentioned previously, the bank did not originate or purchase a sufficient number of small loans to farms in 2012 to analyze.

Refer to Table 12 in the Memphis MMSA section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination/purchase of small loans to farms.

The overall borrower distribution of small loans to farms is excellent. The bank's borrower distribution of small loans to farms in 2010 through 2011 was excellent. Lending to farms received little weight in the overall lending performance in the Memphis MMSA. The percentage of small loans to small farms (revenues of \$1 million or less) was near the percentage of farms in the AA. The bank's market share to small farms exceeded the bank's overall market share and was excellent.

Community Development Lending

CD lending had a neutral impact on lending performance. TNB originated one qualified CD loan totaling \$355 thousand in the AA during the evaluation period.

Product Innovation and Flexibility

TNB offers a standard product mix of loans including FHA, VA, and SBA loans. TNB did not offer any other innovative or flexible loan products in the Memphis MMSA.

INVESTMENT TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the investment test in the Memphis MMSA is rated "Outstanding." Based on a full-scope review, the bank's performance in the Memphis MMSA is excellent.

Refer to Table 14 the Memphis MMSA section of Appendix D for the facts and data used to evaluate the bank's level of qualified investments.

During the evaluation period, TNB made 70 investments in the Memphis MMSA totaling \$11.7 million. This represented approximately 18.3 percent of allocated Tier One Capital for the AA, which is an excellent level of investments.

The bank's responsiveness to the CD needs in the AA is excellent. In terms of total dollar amount, the bank made 99.0 percent of its investments and donations to organizations focused on affordable housing. This includes \$11.7 million in mortgage-backed securities where the underlying mortgages were made to LMI borrowers, addressing the need for affordable housing in the AA. The remaining qualified investments included 57 separate donations totaling over \$80 thousand. Fifty-three of the donations were made to organizations providing community services to low- and moderate-income families, and the remaining were made to organizations focused on economic development.

Funding for affordable housing and community services targeted to LMI individuals were the main identified CD needs in the AA. There are numerous nonprofit organizations located in the AA. These organizations provide affordable housing, community services to LMI families, and support for economic development activities.

SERVICE TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the service test in the Memphis MMSA is rated "Low Satisfactory." Based on a full-scope review, the bank's performance in the Memphis MMSA is adequate.

Retail Banking Services

Refer to Table 15 in the Memphis MMSA section of Appendix D for the facts and data used to evaluate the distribution of the bank's branch delivery system and branch openings and closings.

TNB's branch distribution in the Memphis MMSA is adequate. The bank's branch distribution in 2010 through 2011 was adequate. Branches were reasonably accessible to geographies and individuals of different income levels in the AA. There are no branches located in low-income geographies; however, the percentage of the population in low-income geographies is relatively small. Access to services in moderate-income geographies was adequate when considering the improved access provided by four near-to branches. Near-to branches are those located in middle- or upper-income geographies that are within one half mile from a low- or moderate-income geography. The bank's branch distribution in 2012 was not inconsistent with the distribution noted in 2010 through 2011, and was considered adequate.

Branch openings and closings generally did not affect the accessibility of the bank's delivery systems to LMI geographies or individuals. During the evaluation period, the bank closed one branch in a middle-income geography. This closure was due to a reduction in business activity at the branch.

TNB's hours and services offered in the Memphis MMSA are adequate. Branch hours and services did not vary in a way that would inconvenience portions of the AA, particularly LMI individuals. Services offered and hours of operation are comparable among locations regardless of the income level of the geography.

Bank-wide, management complements its traditional service delivery methods with certain alternative delivery processes, such as: online banking, which includes bill payment and mobile banking; automated teller machines; and, a bank at work program. However, we placed no significant weight on these alternative delivery systems, as the bank did not maintain metrics to determine their effectiveness in helping to meet the credit needs of low- and moderate-income geographies or LMI individuals.

Community Development Services

TNB's performance in providing community development services in the Memphis MMSA was excellent. In the Memphis MMSA, 34 bank employees provided their expertise to 32 different community development organizations and programs. Bank employees participated in 82 different community service activities, primarily teaching financial literacy classes. Bank

employees presented these classes to 2,834 people in low- and moderate-income areas, demonstrating responsiveness to an identified need in the assessment area.

Fifteen bank employees served as either board or committee members of 19 different organizations serving the needs of low- and moderate-income families, illustrating the bank's commitment to provide banking products and services to areas under severe economic distress.

State Rating

State of Mississippi

CRA Rating for Mississippi²: Outstanding

² For institutions with branches in two or more states in a multistate metropolitan area, this statewide evaluation does not reflect performance in the parts of this state contained within the multistate metropolitan area. Refer to the multistate metropolitan area rating and discussion for the rating and evaluation of the institution's performance in that area.

The lending test is rated: High Satisfactory
The investment test is rated: Outstanding
The service test is rated: Outstanding

The major factors that support this rating include:

- An excellent level of lending for home mortgage loans, small loans to businesses, and farms;
- Overall adequate geographic distribution as shown by an excellent geographic distribution of loans to small businesses, with a poor distribution of home mortgage loans and an adequate distribution of loans to small farms;
- An adequate borrower distribution of home mortgage loans, loans to small businesses, and farms;
- A significantly positive level of community development loans that were responsive to community needs;
- An excellent level of qualified investments that were highly responsive to community needs;
- A branch distribution that was readily accessible to individuals living in low- and moderate-income geographies; and
- A good level of community development services that were responsive to community needs.

Description of Institution's Operations in Mississippi

TNB had eight AAs within the state of Mississippi. These AAs included the Jackson MSA comprised of Copiah, Hinds, Madison, Rankin, and Simpson counties; the Gulfport-Biloxi MSA comprised of Hancock, Harrison, and Stone counties; the Hattiesburg MSA comprised of Forrest, Lamar, and Perry counties; and five nonmetropolitan areas geographically dispersed across the state as follows:

- MS Central non-MSA comprised of Jones and Smith counties;
- MS East non-MSA comprised of Greene, Lauderdale, Leake, Lowndes, Neshoba, and Oktibbeha counties;
- MS North non-MSA comprised of Alcorn, Itawamba, Lafayette, and Lee counties;
- MS Southwest non-MSA comprised of Amite, Lincoln, Marion, Pike, and Walthall counties, and
- MS West comprised of Bolivar, Leflore, Warren and Washington counties.

TNB provides a full range of loan and deposit products to all AAs. TNB had 121 branches within the state, representing 72.9 percent of the bank's total branch network. There were two branch openings and no branch closings in the state during the evaluation period. TNB had 60 deposit-taking ATMs. As of June 30, 2012, the bank ranked 2nd in the AA in deposits,

representing a 14.2 percent market share. TNB's statewide deposits totaled \$6.6 billion. The Jackson MSA AA is the bank's most significant assessment area in the state, accounting for 82.6 percent of total bank deposits.

Jackson MSA

The banking industry is highly competitive in the AA and includes branches of regional and community banks. As of June 30, 2012, TNB ranked 1st in the AA in deposits, representing a 33.8 percent market share. The five largest competitors in the AA include Regions Bank, BankPlus, BancorpSouth Bank, Merchants and Farmers Bank, and Community Bank of Mississippi.

MS East non-MSA

As of June 30, 2012, there were 20 financial service providers with branches in the AA. TNB ranked 1st in the AA in deposits, representing a 15.9 percent market share. The five largest competitors in the AA include The Citizens National Bank of Meridian, Regions Bank, The Citizens Bank of Philadelphia, Cadence Bank N.A., and BankFirst Financial Services.

Refer to the market profiles for the state of Mississippi in Appendix C for detailed demographics and other performance context information for assessment areas that received full-scope reviews.

Scope of Evaluation in Mississippi

For the state of Mississippi, we completed a full-scope review of the Jackson MSA and the MS East non-MSA areas. The Gulfport MSA, the Hattiesburg MSA, and the Central, North, Southwest, and West non-MSA areas received limited-scope reviews. The Jackson MSA and the MS East non-MSA received a full-scope review due to the high percentage of deposits (69.2 percent) and branches (54.5 percent) in these areas. The Jackson MSA AA received the most weight on final ratings because 55.3 percent of CRA reportable loans and 60.8 percent of the bank's deposits in Mississippi were in the Jackson AA. Refer to the table in Appendix A for more information on the Mississippi assessment areas.

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the lending test in Mississippi is rated "High Satisfactory." Based on full-scope reviews, the bank's performance in the Jackson MSA is excellent and performance in the MS East non-MSA area is adequate.

Lending Activity

The bank's overall lending activity in the state of Mississippi is excellent, considering the strong competition for all types of loans in the bank's AAs. The bank's excellent performance in originating home mortgage loans, small business loans, and small farm loans when compared to its local competitors supports this conclusion.

Refer to Table 1 Lending Volume in the state of Mississippi section of Appendix D for the facts and data used to evaluate the bank's lending activity.

Jackson MSA

TNB's lending activity in the Jackson AA is excellent. Based upon FDIC Deposit Market Share data as of June 30, 2011, TNB achieved a 34.1 percent market share of deposits, ranking 1st among 24 financial institutions in the AA. Based upon 2011 Peer Data, TNB achieved a 25.6 percent market share of home improvement loans, ranking 1st among 56 reporting lenders. The bank achieved a 19.1 percent market share of home purchase loans, ranking 1st among 146 reporting lenders and achieved a 17.9 percent market share of refinance loans, ranking 1st among 188 reporting lenders. These market ranks/shares are excellent when compared to the deposit market rank/share and competition within the AA. TNB achieved a 15.1 percent market share of small loans to businesses, ranking 2nd among 58 reporting lenders. TNB achieved a 47.7 percent market share of small loans to farms, ranking 1st among 14 reporting lenders.

MS East non-MSA

TNB's lending activity in the MS East non-MSA AA is excellent. Based upon FDIC Deposit Market Share data as of June 30, 2011, TNB achieved a 14.7 percent market share of deposits, ranking 2nd among 19 financial institutions in the AA. Based upon 2011 Peer Data, TNB achieved an 11.9 percent market share of home improvement loans, ranking 2nd among 38 reporting lenders. The bank achieved a 7.6 percent market share of refinance loans, ranking 3rd among 130 reporting lenders, and achieved a 7.1 percent market share of home purchase loans, ranking 3rd among 115 reporting lenders. These market ranks/shares are excellent when compared to the deposit market rank/share and competition within the AA. TNB achieved a 6.6 percent market share of loans to small businesses, ranking 5th among 45 reporting lenders. Institutions reporting a higher market share than TNB were primarily national credit card lenders. TNB achieved a 17.5 percent market share of small loans to farms, ranking 2nd of 13 reporting lenders.

Distribution of Loans by Income Level of the Geography

Overall, the geographic distribution of the bank's lending was adequate. In performing our analysis, we placed greater weight on the bank's home mortgage lending as home mortgage loans represented the majority of the bank's CRA reportable lending activity. We also placed greater weight on the bank's performance in 2010 through 2011 than its performance in 2012.

Home Mortgage Loans

Overall, the geographic distribution of home mortgage loans is poor.

Refer to Tables 2, 3, 4, and 5 in the state of Mississippi section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations/purchases.

Jackson MSA

Overall, the geographic distribution of home mortgage loans is poor. In evaluating the geographic distribution of home loans in the Jackson AA, it is important to note that low-income census tracts contain less than 4.0 percent of the owner-occupied housing units in the AA. As a result, we attributed more weight to the bank's performance in moderate-income tracts, which contain almost 23.0 percent of the owner-occupied housing units.

The overall geographic distribution of home purchases loans is very poor. The bank's geographic distribution of home purchase loans during 2010 through 2011 was very poor. The percentage of loans in low-income geographies was significantly below the percentage of owner-occupied units in these geographies. The portion of loans made in moderate-income geographies was also significantly below the percentage of owner-occupied units in these geographies. The bank's market share in low-income census tracts is well below its overall market share for home purchase loans. The bank's market share in moderate-income census tracts is below its overall market share for home purchase loans. The bank's performance in 2012 was not inconsistent with the performance noted in 2010 through 2011.

The overall geographic distribution of home improvement loans is excellent. The bank's geographic distribution of home improvement loans during 2010 through 2011 was excellent. The percentage of loans in low-income geographies exceeded the percentage of owner-occupied units in these geographies. The portion of loans made in moderate-income geographies exceeded the percentage of owner-occupied units in these geographies. The bank's market share in low-income census tracts exceeded its overall market share for home improvement loans. The bank's market share in moderate-income census tracts was near to its overall market share for home improvement loans. The bank's performance in 2012 was not inconsistent with the performance noted in 2010 through 2011.

The overall geographic distribution of home refinance loans is poor. The bank's geographic distribution of home refinance loans during 2010 through 2011 was poor. The percentage of loans in low-income geographies was significantly below the percentage of owner-occupied units in these geographies. The portion of loans made in moderate-income census tracts was also significantly below the percentage of owner-occupied units in these geographies. The bank's market share in low-income census tracts exceeded its overall market share for home refinance loans. The bank's market share in moderate-income census tracts was well below its overall market share for home refinance loans. The bank's performance in 2012 was weaker than the performance noted in 2010 through 2011.

MS East non-MSA

Overall, the geographic distribution of home mortgage loans is adequate. In evaluating the geographic distribution of home loans in the MS East non-MSA AA, it is important to note that low-income census tracts contain approximately 2.0 percent of the owner-occupied housing units in the AA. This is a somewhat low-level of available housing units and limits a bank's ability to generate home mortgage loans. As a result, we attributed more weight to the bank's performance in moderate-income tracts, which contain approximately 11.0 percent of the owner-occupied housing units.

The overall geographic distribution of home purchases loans is poor. The bank's geographic distribution of home purchase loans during 2010 through 2011 was poor. The percentage of loans in low-income geographies was significantly below the percentage of owner-occupied units in these geographies. The portion of loans made in moderate-income geographies was well below the percentage of owner-occupied units in these geographies, representing poor performance. The bank's market share in low-income census tracts is significantly below its overall market share for home purchase loans. The bank's market share in moderate-income census tracts is below its overall market share for home purchase loans which demonstrates adequate performance. The bank's performance in 2012 was not inconsistent with the performance noted in 2010 through 2011.

The overall geographic distribution of home improvement loans is good. The bank's geographic distribution of home improvement loans during 2010 through 2011 was excellent. The percentage of loans in low-income geographies exceeded the percentage of owner-occupied units in these geographies. The portion of loans made in moderate-income census tracts exceeded the percentage of owner-occupied units in these geographies. The bank did not achieve a market share for home improvement loans in low-income census tracts. The bank's market share in moderate-income census tracts exceeded its overall market share for home improvement loans. The bank's performance in 2012 was weaker than performance noted in 2010 through 2011 with poor performance. Adequate performance in low-income geographies was offset by very poor performance in moderate-income areas.

The overall geographic distribution of home refinance loans is very poor. The bank's geographic distribution of home refinance loans during 2010 through 2011 was very poor. The percentage of loans in low-income census tracts was significantly below the percentage of owner-occupied units in these geographies. The percentage of loans in moderate-income census tracts was also significantly below the percentage of owner-occupied units in these geographies. The bank did not achieve a market share for home refinance loans in low-income census tracts. The bank's market share in moderate-income census tracts was well below its overall market share for home refinance loans. The bank's performance in 2012 was slightly stronger than the performance noted in 2010 through 2011. Performance in the moderate-income tracts was adequate, but was offset by very poor performance in the low-income tracts.

Small Loans to Businesses

Overall, the geographic distribution of small loans to businesses is excellent.

Refer to Table 6 in the state of Mississippi section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to businesses.

Jackson MSA

The overall geographic distribution of small loans to business is excellent. The bank's geographic distribution of small loans to businesses in 2010 through 2011 was excellent. The portion of loans made in low-income geographies exceeded the percentage of businesses in those geographies, reflecting excellent performance. The portion of loans made in moderate-income geographies substantially meets the distribution of businesses in those geographies,

reflecting good performance. The bank's market share in low-income geographies exceeded its overall market share for loans to small businesses. The bank's market share in moderate-income geographies exceeded its overall market share for loans to small businesses. The bank's performance in 2012 was weaker than the performance noted in 2010 through 2011, but was good.

MS East non-MSA

The overall geographic distribution of small loans to businesses is excellent. The bank's geographic distribution of small loans to businesses in 2010 through 2011 was excellent. The portion of loans made in low-income geographies exceeded the percentage of businesses in those geographies, reflecting excellent performance. The portion of loans made in moderate-income geographies exceeded the percentage of small businesses in those geographies, reflecting excellent performance. The bank's market share in low-income geographies exceeded its overall market share for loans to small businesses. The bank's market share in moderate-income geographies exceeded its overall market share for loans to small businesses. The bank's performance in 2012 was weaker than the performance noted in 2010 through 2011, but was good.

Small Loans to Farms

Overall, the geographic distribution of small loans to farms is adequate.

Refer to Table 7 in the state of Mississippi section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to farms.

Jackson MSA

The overall geographic distribution of small loans to farms is adequate. The bank's geographic distribution of small loans to farms in 2010 through 2011 was adequate. The percentage of loans made in low-income census tracts was substantially below the percentage of farms in those geographies. The percentage of loans made in moderate-income census tracts exceeded the percentage of small farms in those geographies. The bank did not achieve a market share in low-income census tracts. The bank's market share in moderate-income geographies exceeded its overall market share for loans to small farms. The bank's performance in 2012 was not inconsistent with the performance noted in 2010 through 2011.

MS East non-MSA

The overall geographic distribution of small loans to farms is adequate. The bank's geographic distribution of small loans to farms in 2010 through 2011 was adequate. The percentage of loans made in low-income census tracts was substantially below the percentage of farms in those geographies. The percentage of loans made in moderate-income census tracts exceeded the percentage of small farms in those geographies. The bank did not achieve a market share in low-income census tracts. The bank's market share in moderate-income census tracts was below its overall market share for loans to small farms. The bank's performance in 2012 was weaker than the performance noted in 2010 through 2011 and was

poor. Performance in low-income geographies was very poor and was poor in moderate-income areas.

Lending Gap Analysis

We reviewed summary reports and maps, and analyzed TNB's home mortgage, small business, and small farm lending activity over the evaluation period to identify any gaps in the geographic distribution of loans. We did not identify any unexplained conspicuous gaps. The bank's AAs consist of whole geographies, meet the requirements of the CRA regulation, and do not arbitrarily exclude any low- or moderate-income areas.

Distribution of Loans by Income Level of the Borrower

The overall borrower distribution of the bank's lending is adequate. As noted previously, we placed greater weight on the bank's home mortgage lending as home mortgage loans represented the majority of the bank's CRA reportable lending activity. Additionally, we considered the relatively high poverty level in the AAs in our conclusions. In addition, we attributed more weight to the bank's performance in 2010 through 2011 than its performance in 2012.

Home Mortgage Loans

The overall borrower distribution of home mortgage loans is adequate.

Refer to Tables 8, 9 and 10 in the state of Mississippi section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

Jackson MSA

Overall, the borrower distribution of home mortgage loans is adequate. In evaluating the borrower distribution of home loans in the Jackson AA, it is important to note that approximately 13.6 percent of the families are below the poverty level. This significant level of families living below the poverty level makes it difficult to originate home mortgage loans to low- and moderate-income individuals.

The overall borrower distribution of home purchase loans is adequate. The bank's borrower distribution of home purchase loans during 2010 through 2011 was adequate. The percentage of loans to low-income borrowers was well below the percentage of low-income families. The percentage of loans made to moderate-income borrowers exceeded the percentage of moderate-income families. The bank's market share of loans to low-income borrowers was well below its overall market share of home purchase loans. The bank's market share of loans to moderate-income borrowers was below its overall market share of home purchase loans. The bank's performance in 2012 was not inconsistent with the performance noted in 2010 through 2011.

The overall borrower distribution of home improvement loans is excellent. The bank's borrower distribution of home improvement loans during 2010 through 2011 was excellent.

The percentage of loans to low-income borrowers exceeded the percentage of low-income families. The percentage of loans made to moderate-income borrowers exceeded the percentage of moderate-income families. The bank's market share of loans to low-income borrowers exceeded its overall market share of home improvement loans. The bank's market share of loans to moderate-income borrowers exceeded its overall market share of home improvement loans. The bank's performance in 2012 was not inconsistent with the performance noted in 2010 through 2011.

The overall borrower distribution of home refinance loans is adequate. The bank's borrower distribution of home refinance loans during 2010 through 2011 was adequate. The percentage of loans to low-income borrowers was well below the percentage of low-income families. The percentage of loans to moderate-income borrowers was lower than the percentage of moderate-income families. The bank's market share of loans to low-income borrowers exceeded its overall market share of refinance loans. The bank's market share of loans to moderate-income borrowers substantially meets its overall market share of refinance loans. The bank's performance in 2012 was not inconsistent with the performance noted in 2010 through 2011.

MS East non-MSA

Overall the borrower distribution of home mortgage loans is adequate. In evaluating the borrower distribution of home loans in the MS East non-MSA AA, it is important to note that approximately 17.6 percent of the families are below the poverty level. This significant level of families living below the poverty level makes it difficult to originate home mortgage loans to low- and moderate-income individuals.

The overall borrower distribution of home purchase loans is adequate. The bank's borrower distribution of home purchase loans during 2010 through 2011 was adequate. The percentage of loans to low-income borrowers was well below the percentage of low-income families. The percentage of loans to moderate-income borrowers was near to the percentage of moderate-income families. The bank's market share of loans to low-income families exceeded its overall market share of home purchase loans. The bank's market share of loans to moderate-income borrowers was below its overall market share of home purchase loans. The bank's performance in 2012 was not inconsistent with the performance noted in 2010 through 2011.

The overall borrower distribution of home improvement loans is good. The bank's borrower distribution of home improvement loans during 2010 through 2011 was good. The percentage of loans to low-income borrowers was below the percentage of low-income families. The percentage of loans to moderate-income borrowers exceeded the percentage of moderate-income families. The bank's market share of loans to low-income families exceeded its overall market share of home improvement loans. The bank's market share of loans to moderate-income borrowers exceeded its overall market share of home improvement loans. The bank's performance in 2012 was stronger than the performance noted in 2010 through 2011. The excellent performance in 2012 is the result of stronger performance to both low- and moderate-income families.

The overall borrower distribution of home refinance loans is poor. The bank's borrower distribution of home refinance loans during 2010 through 2011 was poor. The percentage of loans to low-income borrowers was significantly below the percentage of low-income families.

The percentage of loans to moderate-income borrowers was also significantly below the percentage of moderate-income families. This very poor performance was somewhat offset by good market share performance. The bank's market share of loans to low-income families substantially meets its overall market share of home refinance loans. The bank's market share of loans to moderate-income families substantially meets its overall market share of home refinance loans. The bank's performance in 2012 was not inconsistent with the performance noted in 2010 through 2011.

Small Loans to Businesses

The overall borrower distribution of small loans to businesses is adequate.

Refer to Table 11 in the state of Mississippi section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination and purchase of small loans to businesses.

Jackson MSA

The overall borrower distribution of small loans to businesses is adequate. The bank's borrower distribution of small loans to businesses in 2010 through 2011 was good. The percentage of small loans to small businesses (businesses with gross annual revenue of \$1 million or less) was below the percentage of small businesses. This adequate performance was enhanced by excellent market share. The bank's market share of loans to small businesses exceeded its overall market share of loans to small businesses. The bank's performance in 2012 was weaker than the performance noted in 2010 through 2011 and was considered poor. This performance had a negative impact on the overall small loans to businesses borrower distribution conclusion for the AA. The 2012 data demonstrated poor performance to businesses with less than \$1 million in annual gross revenue.

MS East non-MSA

The overall borrower distribution of small loans to businesses is adequate. The bank's borrower distribution of small loans to businesses in 2010 through 2011 was adequate. The percentage of small loans to small businesses (businesses with gross annual revenue of \$1 million or less) was well below the percentage of small businesses. This poor performance was partially offset by excellent market share. The bank's market share of loans to small businesses exceeded its overall market share of loans to small businesses. The bank's performance in 2012 was weaker than the performance noted in 2010 through 2011 and was poor. This performance did not have an impact on the overall small loans to businesses borrower distribution conclusion for the AA.

Small Loans to Farms

The overall borrower distribution of small loans to farms is adequate.

Refer to Table 12 in the state of Mississippi section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination/purchase of small loans to farms.

Jackson MSA

The overall borrower distribution of small loans to farms was good. The bank's borrower distribution of small loans to farms in 2010 through 2011 was good. The bank's borrower distribution of small loans to small farms (farms with gross annual revenue of \$1 million or less) was near to the percentage of small farms. The bank's market share of loans to small farms exceeded its overall market share of loans to small farms. The bank's performance in 2012 was weaker than the performance noted in 2010 through 2011 and was adequate. This performance did not have an impact on the overall small loans to farms borrower distribution conclusion for the AA.

MS East non-MSA

The overall borrower distribution of small loans to farms was poor. The bank's borrower distribution of small loans to farms in 2010 through 2011 was poor. The bank's borrower distribution of small loans to small farms (farms with gross annual revenue of \$1 million or less) was well below the percentage of small farms. The bank's market share of loans to small farms was well below its overall market share of loans to small farms. The bank's performance in 2012 was not inconsistent with the performance noted in 2010 through 2011.

Community Development Lending

Refer to Table 1 Lending Volume in the state of Mississippi section of Appendix D for the facts and data used to evaluate the bank's level of community development lending. This table includes all CD loans, including multifamily loans that also qualify as CD loans. In addition, Table 5 includes geographic lending data on all multi-family loans, including those that also qualify as CD loans. Table 5 does not separately list CD loans.

TNB had a significantly positive level of community development loans that were responsive to community needs.

Jackson MSA

TNB's level of CD lending had a significantly positive impact on its overall lending performance in the AA. TNB originated 29 loans totaling \$56.1 million in qualified CD loans in the AA during the evaluation period. This volume represented 11.1 percent of allocated Tier One capital. The bank's CD loans were highly responsive to AA needs, demonstrated leadership, and supported affordable housing initiatives for low- and moderate-income (LMI) individuals, community services targeted to LMI individuals, activities that promoted economic development in the AA, and activities that revitalized or stabilized LMI geographies.

Specific examples of the CD loans originated during this evaluation period include:

- Four tax and revenue anticipation notes originated to public school districts, totaling \$30 million. The school districts used the proceeds to pay general expenses and to fund the construction of new elementary and middle schools. A majority of the students in the school districts come from low- or moderate-income families.

- A \$6.2 million loan to a public, nonprofit corporation with a mission of assisting businesses in obtaining financing to expand or establish new facilities or industries. The proceeds were used to purchase tax exempt GO-Zone bonds used to finance the construction of a commercial project in the AA. The project created 150 permanent jobs and the addition of 50 jobs for low- and moderate-income individuals.
- A \$3 million loan to fund the construction of a 100-unit low-income housing complex. Low Income Housing Tax Credits secured the project.
- A \$2.5 million loan to the Jackson Redevelopment Authority to support the construction of an urban development project in the AA. New Market Tax Credits financed the project.
- Two loans totaling \$1.7 million to a nonprofit organization that provides non-traditional financing, and technical assistance to minority- and women-owned small businesses.

MS East non-MSA

TNB's level of CD lending had a positive impact on the overall evaluation of its lending performance in the MS East non-MSA AA. During the evaluation period, TNB originated six qualified CD loans, totaling \$6.5 million, including a \$1.8 million to a public school district to fund the district's expenses, where more than 50.0 percent of the students attending schools in the district are LMI individuals. TNB also originated a \$1.5 million loan to fund the construction of a new health center located on the Choctaw Indian reservation. The reservation is located in an area of the state designated as medically underserved by the U.S. Department of Health and Human Services. This volume represented 9.3 percent of allocated Tier One capital.

Community Development Loans – Regional Area

In addition to the community development loans that benefit the bank's AAs, TNB originated 10 qualified CD loans, totaling \$27.5 million, located in a broader regional area. CD loans originated in the broader regional area received positive consideration in this evaluation. Highlights of CD lending in the broader regional area include seven tax and revenue anticipation notes to public school districts, totaling \$20 million. The school districts used the proceeds to pay general expenses and fund the construction of new elementary and middle schools. A majority of the students in the school districts come from low- or moderate-income families. In addition, TNB originated two qualified CD loans totaling \$6.8 million that funded the rehabilitation of a 64-unit low-income housing complex. Low Income Housing Tax Credits secured the project.

Product Innovation and Flexibility

TNB offered a standard product mix of loans including FHA, VA, and SBA loans. In addition, TNB offered loan programs targeted to low- and moderate-income borrowers demonstrating product flexibility.

- TNB participates in the Financial Institutions Housing Opportunity Pool (FIHOP) through a nonprofit corporation that exists to assist in the construction and

development of residential housing throughout the state of Mississippi to persons of low to moderate income. Eligible applications include experienced tax credit developers eligible under the Qualified Allocation Plan (QAP). TNB's pro-rata share in the pool is \$2 million. Participating lenders share the risk associated with loans originated through the FIHOP pool dividing each loan originated according to each bank's percentage of interest in the pool. The program offers flexible loan terms such as below market interest rates, longer amortization schedules, and 25-year payout terms.

- TNB is one of ten participating lenders that provide a zero interest line of credit to an affordable housing organization operating in Metro Jackson. TNB contributed \$1.7 million of the total \$5.6 million line of credit commitment to the organization.
- TNB was one of three participating lenders in a partnership with various nonprofit organizations to provide homeownership opportunities to private individuals, focusing on those negatively impacted by Hurricane Katrina and/or the national credit crisis. The My Home My Coast Lending Program was available to borrowers in the banks Biloxi-Gulfport MSA AA. The program provided for a zero-percent interest on a second mortgage funded by CDBG funds, up to \$3,500 in grant funds toward closing costs, and featured no origination fee, flexibility in lending since the bank held the loans in portfolio and a LTV of 40/60 percent with a graduating scale based on household annual median income (AMI). The program ended in October of 2010 due to a lack of CDBG funding. TNB funded 70 loans under this program and a majority were below 80 percent AMI.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the lending test in the Hattiesburg MSA, and the Central, North, and West non-MSA AAs is not inconsistent with the bank's overall "High Satisfactory" performance under the lending test in Mississippi. In the Gulfport-Biloxi MSA and the Southwest non-MSA AA, the bank's performance is weaker than the bank's overall performance in the state due to weaker geographic and borrower distribution. The weaker performance had no impact on the lending test rating. Refer to the Tables 1 through 12 in the state of Mississippi section of Appendix D for the facts and data that support these conclusions.

INVESTMENT TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the investment test is rated "Outstanding." Based on full-scope reviews, the bank's performance in the Jackson MSA and MS East non-MSA areas is excellent.

Refer to Table 14 in the state of Mississippi section of Appendix D for the facts and data used to evaluate the bank's level of qualified investments.

Jackson, MSA

During the evaluation period, TNB made 278 investments in the Jackson MSA totaling \$24.2 million. We considered the ongoing impact that investments made prior to the current evaluation period had within the AA. The remaining balance on 17 prior period investments as of the date of our examination was \$1 million. When considering both current and prior period investments, the total of \$24.2 million represents approximately 4.8 percent of allocated Tier One Capital for the AA. This level is considered good; however, when augmented by the bank's responsiveness to CD needs in the AA, the performance is considered excellent.

The bank's responsiveness to the CD needs in the AA is excellent. In terms of total dollar volume, 99.2 percent of the bank's investments and grants included government sponsored mortgage-backed securities, low-income housing tax credits, and new market tax credits, all of which were highly responsive to identified affordable housing and economic development needs in the AA. Following are examples of some of these investments:

- TNB invested \$4.8 in a low-income housing tax credit project that funded Section 8 multifamily rental housing for low- and moderate-income households.
- TNB invested \$1.8 million in a low-income housing tax credit project that helped to renovate a 60-unit multifamily complex located in Jackson that is restricted to tenants earning at or below 60.0 percent of the median income for the area. Approximately 20.0 percent of the units are set aside for those individuals earning at or below 50.0 percent of the median income. Approximately 51.0 percent of the units receive a rental subsidy from the Jackson Housing Authority, totaling \$50 dollars per month for a five-year period.
- TNB invested \$1.7 million in a project, one of the largest economic development projects in the Jackson MSA area in recent years, that renovated a building that was re-purposed to house a restaurant and museum. The project created 80 permanent tourism and service industry jobs, many of which are available to low- and moderate-income individuals.
- TNB invested \$1.4 million in a new market tax credit project that helped to rehabilitate and renovate an abandoned building in a low-income census tract into commercial space that created 163 new jobs for low- and moderate-income individuals in the Jackson AA. The project serves as a catalyst for additional redevelopment efforts in the area. TNB was the only financial institution investor in this project.

These investments exhibit an excellent responsiveness to the community development needs of the Jackson MSA AA.

MS East non-MSA

During the evaluation period, TNB made 40 investments in the assessment area totaling \$4.1 million. In the prior period, TNB originated two investments totaling \$150,000. Total investments for the entire evaluation period represent approximately 5.9 percent of allocated Tier One Capital for the AA, which is excellent.

The bank's responsiveness to the CD needs in the AA is good. In terms of total dollar amount, 99.0 percent of the bank's investments and grants were made to organizations focused on affordable housing. This includes \$4 million in mortgage-backed securities where the underlying mortgages were to LMI borrowers. The remaining investments and grants were to organizations focused on community service.

Funding for affordable housing, financial literacy, and credit for basic needs were some of the main identified CD needs in the AA.

Conclusions for Area Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the investment test in the MS Southwest non-MSA is not inconsistent with the bank's overall "High Satisfactory" performance under the investment test in Mississippi. In the Gulfport MSA and Hattiesburg MSA, the bank's performance is stronger than the bank's overall performance in the state, due to a higher level of investments. In the MS Central non-MSA area, MS North non-MSA area, and MS West non-MSA area the bank's performance is weaker than the bank's overall performance in the state, due to a lower level of investments. Performance in the MS West non-MSA area is poor, and very poor in the MS Central and MS North non-MSA areas. The combined performance in the limited-scope AAs was not significant enough to affect the overall conclusions in the state. Refer to Table 14 in Appendix D for the facts and data that support these conclusions.

SERVICE TEST

Conclusions for Areas Receiving Full-Scope Reviews

TNB's performance under the service test in Mississippi is rated "Outstanding." Based on full-scope reviews, the bank's performance in the Jackson MSA and the MS East non-MSA areas is excellent.

Retail Banking Services

Refer to Table 15 in the state of Mississippi section of Appendix D for the facts and data used to evaluate the distribution of the bank's branch delivery system and branch openings and closings.

Jackson MSA

TNB's branch distribution in the AA is excellent. The bank's branch distribution in 2010 through 2011 was excellent. Branches were readily accessible to geographies and individuals of different income levels in the assessment area. There were five branches located in low-income geographies. The percentage of branches in low-income geographies exceeded the percentage of the population in low-income geographies. There were 14 branches in moderate-income census tracts. The percentage of branches in moderate-income census tracts exceeded the percentage of the population in moderate-income census tracts. TNB's branch distribution in 2012 was not inconsistent with the performance noted in 2010 through 2011.

There have been no branch openings and closings in the Jackson MSA during the evaluation period. Branch hours and services did not vary in a way that would inconvenience portions of the AA, particularly LMI individuals. Services offered and banking hours are comparable among locations regardless of the income level of the geography.

MS East non-MSA Area

TNB's branch distribution in the AA is excellent. The bank's branch distribution in 2010 through 2011 was excellent. Branches are readily accessible to geographies and individuals of different income levels in the assessment area. There were three branches located in low-income geographies. The percentage of branches in low-income geographies exceeded the percentage of the population in low-income geographies. There were two branches in moderate-income census tracts. The percentage of branches in moderate-income census tracts is near to the percentage of population in moderate-income census tracts. TNB's branch distribution for 2012 was not inconsistent with the performance noted in 2010 through 2011.

Branch openings and closings have not affected the accessibility of the bank's delivery systems to LMI geographies or individuals. There were two branch openings and no closings in the MS East non-MSA areas during the evaluation period. One branch was opened in a middle-income CT and one branch was opened in an upper-income CT. Branch services and hours did not vary in a way that would inconvenience portions of the AA, particularly LMI individuals.

Alternative Delivery Systems

Bank-wide, management complements its traditional service delivery methods with certain alternative delivery processes, such as: online banking, which includes bill payment and mobile banking; automated teller machines; and, a bank at work program. In Mississippi, the bank also offers a debit card to individuals receiving electronic benefit payments from the Mississippi Department of Human Services and unemployment payments from the Mississippi Employment Security Commission. Individuals that do not have, or who do not use traditional banking services typically use the card. TNB is one of three banks in the state that does not charge a fee to non-bank customers who use the card at any TNB automated teller machine. However, we placed no significant weight on these alternative delivery systems, as the bank did not maintain metrics to determine their effectiveness in helping to meet the credit needs of low- and moderate-income geographies or LMI individuals.

Community Development Services

TNB's performance in providing community development services in the Jackson MSA was excellent. In the MS East non-MSA AA, performance was good. Community development services focused primarily on community services targeted to LMI individuals. Bank employees participated in a variety of organizations and partnerships, some in leadership roles, that benefited LMI individuals, promoted economic development, and provided affordable housing. They also provided technical assistance on financial and banking related matters to numerous community groups, low- and moderate-income persons and families, and small businesses.

Jackson MSA

In the Jackson MSA, 102 TNB employees provided their expertise to 102 different community development organizations. In addition, thirteen TNB employees demonstrated leadership and served on the Board of Directors or on committees of these organizations.

MS East non-MSA Area

In the MS East non-MSA Area, 51 TNB employees provided their expertise to 46 different community development organizations and programs.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the service test in the Hattiesburg MSA, MS Central non-MSA areas, MS Southwest non-MSA areas, and the MS West non-MSA areas is not inconsistent with the bank's overall "Outstanding" performance under the service test in Mississippi. In the Gulfport-Biloxi MSA and the MS North non-MSA areas, the bank's performance is weaker than the bank's overall performance in the state and is adequate. Performance differences in these areas were based on weaker branch distribution and were not significant enough to impact the bank's overall rating. Refer to Table 15 in the Mississippi section of Appendix D for the facts and data that support these conclusions.

State Rating

State of Florida

CRA Rating for Florida:	Satisfactory
The lending test is rated:	High Satisfactory
The investment test is rated:	Outstanding
The service test is rated:	High Satisfactory

The major factors that support this rating include:

- An excellent level of lending of home mortgage loans and loans to small businesses;
- A good geographic distribution of loans to small businesses and an adequate geographic distribution of home mortgage loans;
- A good borrower distribution of home mortgage loans and an adequate borrower distribution of small loans to businesses;
- An excellent level of qualifying investments, grants, and donations that were responsive to community needs;
- A branch distribution that was accessible to individuals living in low- and moderate-income geographies; and
- An excellent level of community development services that were highly responsive to community needs.

Description of Institution's Operations in Florida

TNB operates 13 branches, located in three AAs in the state of Florida. The bank's AAs include two MSAs and one non-MSA area. They include the Panama City MSA AA comprised of Bay County, the Crestview-Fort Walton Beach MSA AA comprised of Okaloosa County, and the FL non-MSA AA comprised of Walton County. Based on FDIC Deposit Market Share data as of June 30, 2011, TNB has very limited penetration in the state of Florida market with only a 0.1 percent deposit market share. However, the bank is ranked 8th with a 4.0 percent deposit market share in the three AAs in which it operates. There were 34 FDIC insured financial institutions operating in the bank's AAs in 2011. Only one bank (Regions) had a deposit market share of 10.0 percent or greater in the AAs the bank operates. These statistics indicate a competitive market for financial services in the bank's AAs.

TNB provides a full range of loan and deposit products to the AA. TNB has 13 full-service branches in the area. The bank also maintains nine ATMs in this rating area. During the evaluation period, TNB consolidated two branches and opened six in the state of Florida AAs. TNB closed one branch. The Panama City MSA AA is the bank's most significant assessment area in the state. The majority of the bank's loans and deposits in Florida are located in this AA, along with nine of the bank's 13 branches in the state.

Refer to the market profiles for the state of Florida in Appendix C for detailed demographics and other performance context information for AA that received full-scope reviews.

Scope of Evaluation in Florida

We performed a full-scope review of the Panama City MSA AA. The Crestview-Fort Walton Beach MSA AA and the FL non-MSA AA received limited-scope reviews. The Panama City AA received a full-scope review due to the high percentage of deposits (72.2 percent) in the state, high percentage of branches (69.2 percent) in Florida, and the opportunities for community development activities. An analysis of small farm lending was not performed, as the bank did not originate or purchase any of this loan type in the Florida AAs during the evaluation period. Refer to the table in Appendix A for more information on the Florida AAs.

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the lending test in the state of Florida is rated "High Satisfactory." Based on the full-scope review, the bank's performance in the Panama City AA is good.

Lending Activity

TNB's overall lending activity in the state of Florida is excellent. The bank's performance in home mortgage lending and small loans to businesses is excellent, considering the strong competition in the bank's AA.

Refer to Table1 Lending Volume, in the state of Florida section of Appendix D for the facts and data used to evaluate the bank's lending activity.

TNB's lending activity in the Panama City AA is excellent. Based upon FDIC Deposit Market Share data as of June 30, 2011, TNB achieved a 4.4 percent market share of deposits, ranking 8th among 19 financial institutions in the AA. Based upon 2011 Peer Mortgage Data for the Panama City AA, TNB achieved a 6.0 percent market share for the number of home purchase loans originated ranking 6th and a 4.4 percent market share for the dollar volume ranking 8th, amongst 156 reporting institutions. The bank achieved a 4.0 percent market share by dollar volume of home refinance loans, ranking 6th among 178 reporting lenders. By number of home refinance loans, the bank ranked 9th with a 2.56 percent market share. TNB's market share for home mortgage loans is excellent, considering that a large majority of the home mortgage loans in the AA are originated by large regional financial institutions and a local credit union. Only one of the financial institutions that exceeded TNB's market share for originating home mortgage loans exceeded TNB's deposit market share in the Panama City AA. While larger financial institutions are making a majority of the home mortgage loans in the AA, they are not taking in a majority of the deposits, which distorts the comparison. In home improvement loans, the bank ranked 10th in number among 32 lenders with a 1.1 percent market share. The top five financial institutions with home improvement loans account for 75.6 percent of the market.

TNB achieved a 12.3 percent market share by dollar volume of small loans to businesses, ranking 3rd among 50 reporting lenders in the Panama City AA, indicating excellent performance. Based upon the number of loans the bank ranked 12th with a 2.2 percent market share. Five large national credit card lenders dominated the small business market, with 63.4 percent of the total market share.

Distribution of Loans by Income Level of the Geography

Overall, the geographic distribution of the bank's lending is adequate. Lending performance from 2010 through 2011 received greater consideration due to the volume of lending during that timeframe, when compared to the 2012 lending activity. The level of owner-occupied housing in the low- and moderate-income tracts also factored into the conclusions. The Panama City AA had only one low-income tract and 10 moderate-income tracts based on the 2000 Census data, which was used to evaluate lending activity during 2010 through 2011. There were only 416 owner-occupied units in the low-income tract and 8,054 units in the moderate-income tracts. The low-income tract contains only 1.0 percent of the owner-occupied housing units in the assessment area so more weight was given to performance in the moderate-income tracts, which contained over 20.0 percent of the owner-occupied housing units. Based on this information home mortgage lending opportunities to low-to-moderate income borrowers in this AA is limited. An analysis of home improvement loans was not performed as the bank did not originate or purchase a sufficient number of loans to analyze.

Home Mortgage Loans

Overall, the geographic distribution of home mortgage loans is adequate.

Refer to Tables 2, 3, 4, and 5 in the state of Florida section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations/purchases.

The overall geographic distribution of home purchase loans is good. The bank's geographic distribution of home purchase loans during 2010 through 2011 was good. The percentage of loans in low-income geographies approximates the percentage of owner-occupied units in these geographies. The percentage of loans in moderate-income census tracts is below the percentage of owner-occupied units in these geographies. The bank's market share in low- and moderate-income geographies exceeded its overall market share for home purchase loans. The bank's performance in 2012 was weaker than its performance noted in 2010 through 2011 and was adequate. This is because performance in low-income CTs was significantly below comparable demographics and was below in moderate-income geographies.

The overall geographic distribution of home refinance loans is adequate. The bank's geographic distribution of refinance loans during 2010 through 2011 was adequate. The bank did not make any home refinance loans in the low-income geographies, but we noted very limited availability of owner-occupied housing. The percentage of loans in moderate-income was well below the percentage of owner-occupied units in these geographies. The bank's market share in the moderate-income tract is near to its overall market share for home refinance loans and helped elevate our overall conclusion to the adequate level. The bank's

performance during 2012 was weaker than the performance noted in 2010 through 2011. TNB demonstrated very poor performance in low-income areas and poor performance in moderate-income geographies.

Small Loans to Businesses

Overall, the geographic distribution of small loans to businesses is good.

Refer to Table 6 in the state of Florida section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to businesses.

The geographic distribution of the bank's small loans to businesses in the AA is good. The bank's geographic distribution of small loans to businesses in 2010 through 2011 was good. The portion of loans made in the low-income geography exceeded the portion of small businesses in this geography. The portion of loans made in moderate-income geographies is below the portion of small businesses in these geographies. The market share of loans in the low-income geography exceeded the bank's overall market share for loans to small businesses, indicating excellent performance. The market share of loans in moderate-income geographies is below the bank's overall market share for loans to small businesses. The bank's performance in 2012 was stronger than its performance noted in 2010 through 2011 and is excellent, especially in low-income geographies.

Lending Gap Analysis

We reviewed summary reports and maps, and analyzed TNB's home mortgage and small business lending over the evaluation period to identify any gaps in the geographic distribution of loans. We did not identify any unexplained conspicuous gaps. The bank's AA consists of whole geographies, meets the requirements of the CRA regulation, and does not arbitrarily exclude any low- or moderate-income areas.

Distribution of Loans by Income Level of the Borrower

The overall borrower distribution of the bank's lending is good. The relatively high poverty levels in the AA, the level of families receiving public assistance, and other economic factors factored into our conclusion. In addition, we attributed more weight to the bank's performance in 2010 through 2011 than its performance in 2012. An analysis of home improvement loans was not performed as the bank did not originate or purchase a sufficient number of loans to analyze.

Refer to Tables 8, 9 and 10 in the state of Florida section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

Home Mortgage Loans

The overall borrower distribution of home mortgage loans is good. In evaluating the borrower distribution of home mortgage loans, we considered the number of families in the AA living

below the poverty level and the barriers that this may have on home ownership. The percentage of total families living below poverty level in the Panama City AA based on the 2000 U. S. census data is 9.0 percent. In addition, 19.0 percent of the families in the AA were low-income and 3.2 percent of households received public assistance. This significant level of families living below the poverty level makes originating home mortgage loans to low- and moderate-income individuals difficult.

The overall borrower distribution of home purchase loans is excellent. The bank's borrower distribution of home purchase loans during 2010 through 2011 was excellent. The percentage of loans to low-income borrowers was near to the percentage of low-income families in the AA. The percentage of loans to moderate-income borrowers exceeded the percentage of moderate-income families in the AA. The bank's market share for home purchase loans to low- and moderate-income borrowers exceeded its overall market share of home purchase loans. The bank's performance in 2012 was not inconsistent with the performance noted in 2010 through 2011.

The overall distribution of home refinance is good. The bank's borrower distribution of home refinance loans during 2010 through 2011 was good. The portion of loans to low-income borrowers was near to the percentage of low-income families. The percentage of loans to moderate-income borrowers was well below comparable demographics. The bank's market share for home refinance loans to low- and moderate-income borrowers exceeded the bank's overall market share of home refinance loans. The bank's performance in 2012 was weaker than the performance noted in 2010 through 2011 and considered adequate. Poor performance to low-income borrowers was partially offset by excellent performance to moderate-income borrowers.

Small Loans to Businesses

The overall borrower distribution of small loans to businesses is adequate.

Refer to Table 11 in the state of Florida section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination and purchase of small loans to businesses.

The overall distribution of small loans to businesses is adequate. The bank's borrower distribution of small loans to businesses in 2010 through 2011 was adequate. The percentage of small loans to small businesses (businesses with gross annual revenue of \$1 million or less) was below the percentage of small businesses in the AA. In evaluating the bank's performance, we considered the competitive market in which the bank operates regarding small business lending and the economic deterioration that started in 2008 and lingered throughout the evaluation period. The economic deterioration had an adverse effect on the demand for and availability of, particularly to small businesses. TNB originated over 45.0 percent of its business loans to small business. This performance is adequate considering that the need for smaller dollar business loans is met, in large part, by credit card lenders who often possess competitive advantages over other financial institutions in that segment of the market. The bank's market share of loans to small businesses exceeded its overall market share of loans to small businesses. The bank's performance in 2012 was not inconsistent with the performance noted in 2010 through 2011.

Community Development Lending

Refer to Table 1 Lending Volume in the state of Florida section of Appendix D for the facts and data used to evaluate the bank's level of community development lending. This table includes all CD loans, including multifamily loans that also qualify as CD loans. In addition, Table 5 includes geographic lending data on all multifamily loans, including those that also qualify as CD loans. Table 5 does not separately list CD loans.

TNB's level of CD lending had a neutral impact on its overall lending performance in the state. During this evaluation period, TNB originated \$50 thousand in two CD loans.

Product Innovation and Flexibility

TNB offered a standard product mix of loans including FHA, VA, and SBA loans. TNB did not offer any innovative or flexible loan products in the state of Florida.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the lending test in the Crestview-Fort Walton Beach MSA AA and the FL non-MSA AA is weaker than the bank's overall "High Satisfactory" performance in the state, and is adequate and poor, respectively. The lack of performance in the limited-scope AAs was the result of weaker geographic and borrower distribution of home mortgage loans and loans to small businesses. The weaker performance did not impact the overall lending test rating. Refer to the Tables 1 through 12 in the state of Florida section of Appendix D for the facts and data that support these conclusions.

INVESTMENT TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the investment test is rated "Outstanding." Based on a full-scope review, the bank's performance in the Panama City MSA is excellent.

Refer to Table 14 in the state of Florida section of Appendix D for the facts and data used to evaluate the bank's level of qualified investments.

During the evaluation period, TNB made 46 investments in the Panama AA totaling \$4.1 million. This represented approximately 9.8 percent of allocated Tier One Capital for the AA, which we consider excellent. This conclusion considers the somewhat limited investment opportunities within the AA and the bank's capacity to address these needs. All investments are current period purchases. No prior period investments remain outstanding. TNB made no complex and innovative investments.

All of the investments funded home ownership and rental housing for low- and moderate-income households. These investments exhibit an excellent responsiveness to the credit and community development needs of the Panama City MSA AA. Seven of the investments were in mortgage-backed securities, funding home ownership and rental housing for low- and

moderate-income households. These investments exhibit an excellent responsiveness to the credit and community development needs of the Panama City MSA AA. In addition, the bank's dollar volume of qualified contributions reflects the bank's willingness to work with a variety of organizations in the AA to help meet various community development needs. During the evaluation period, the bank made donations totaling over \$27 thousand to organizations providing community services to low- and moderate-income individuals.

Conclusions for Area Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the investment test in the Crestview-Fort Walton Beach MSA AA is not inconsistent with the bank's overall "Outstanding" performance under the investment test in Florida. In the FL non-MSA AA, the bank's performance is weaker than the bank's overall performance in the state, and is very poor. This performance was due to a lower volume of investments. This performance had no impact the overall investment test rating in Florida. Refer to the Table 14 in the state of Florida section of Appendix D for the facts and data that support these conclusions.

SERVICE TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the service test in Florida is rated "High Satisfactory." Based on full-scope reviews, the bank's performance in the Panama City MSA AA is good.

Retail Banking Services

Refer to Table 15 in the state of Florida section of Appendix D for the facts and data used to evaluate the distribution of the bank's branch delivery system and branch openings and closings.

TNB's overall branch distribution in the Panama City AA is good. The bank's branch distribution in 2010 through 2011 was good after considering the additional access provided by branches located near to low- or moderate-income geographies. Branches were reasonably accessible to geographies and individuals of different income levels in the assessment area. TNB had nine full-service banking offices in the Panama City AA. The bank had no branches in the low-income CTs; however, the population percent in these tracts was very low at 1.1 percent. The bank had one branch located in a moderate-income CT. The percentage of branches in moderate-income tracts is below the percentage of the population residing in these areas. Accessibility in low- and moderate-income census tracts improved after considering near-to branches. Near-to branches are those located in middle- or upper-income geographies that are within one half mile from a low- or moderate-income geography. TNB had one branch located near the low-income census tract and one located near to a moderate-income census tract. TNB's branch distribution in 2012 was not inconsistent with the performance noted in 2010 through 2011.

Branch openings and closings generally have not adversely affected the accessibility of the bank's delivery systems. TNB closed one branch in a moderate-income geography. This closure was due to a reduction in business activity at the branch.

TNB's hours and services did not vary in a way that would inconvenience portions of the AA, particularly LMI individuals. Services offered and banking hours are comparable among locations regardless of the income level of the geography.

Bank-wide, management complements its traditional service delivery methods with certain alternative delivery processes, such as: online banking, which includes bill payment and mobile banking; automated teller machines; and, a bank at work program. However, we placed no significant weight on these alternative delivery systems, as the bank did not maintain metrics to determine their effectiveness in helping to meet the credit needs of low- and moderate-income geographies or LMI individuals.

Community Development Services

TNB's performance in providing community development services in the Panama City AA was excellent. TNB provided CD services to twelve qualified CD organizations. The types of services provided included serving on the board or on the fund raising committee for organizations that provide affordable housing and health care for low- or moderate-income individuals. TNB also provided financial literacy classes to area schools in the AA. TNB also participated in the Homebuyer Equity Leverage Partnership (HELP) grant program through the Federal Home Loan Bank (FHLB) of Dallas. The grant program is designed to assist qualified first time homebuyers with down payment and closing costs. TNB assisted in obtaining three HELP grants benefitting the Panama City MSA AA through the FHLB totaling \$25 thousand.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the service test in the Crestview-Fort Walton Beach and FL non-MSA AAs is weaker than the bank's overall "High Satisfactory" performance under the service test in Florida and was adequate. Performance in these AAs was weaker due to branch distribution. Performance differences in these areas were not significant enough to have an impact on the bank's overall rating. Refer to Table 15 in the state of Florida section of Appendix D for the facts and data that support these conclusions.

State Rating

State of Texas

CRA Rating:	Satisfactory
The lending test is rated:	Low Satisfactory
The investment test is rated:	Outstanding
The service test is rate:	Low Satisfactory

The major factors that support this rating include:

- Good overall lending activity;
- An adequate distribution of loans by geography, as demonstrated by good geographic distribution of small business loans which offset very poor mortgage distribution;
- A poor borrower distribution of home loans, and a poor distribution of small loans to businesses with different revenue sizes;
- An excellent quantity of community development investments;
- A branch distribution system that is reasonably accessible to individuals living in low- and moderate-income census tracts;
- A good level of community development services that were responsive to community needs.

Description of Institution's Operation in Texas

TNB had one AA in the state of Texas. It included a portion of the Houston-Sugar Land-Baytown MSA, namely all of Harris and Waller Counties and three census tracts in Fort Bend County.

TNB provides a full range of loan and deposit products to the AA. TNB has 15 full-service branches in the area. The bank also maintains 14 deposit-taking ATMs. All but one of the ATMs are located at a full-service branch. Management did not open any branches during the review period, though TNB did close one office.

As of June 30, 2011, \$413 million, or 5.6 percent of total TNB deposits, are attributable to branch offices in this rating area. As of June 30 2011, TNB ranked 29th in the AA in deposits, representing a 0.3 percent market share.

The banking industry is highly competitive in the AA, and includes many branches of multi-national and regional banks, local community banks, credit unions, and other nonbank financial service providers. The five largest competitors in this market include: JPMorgan Chase Bank, Bank of America, National Association (N.A.), Wells Fargo Bank, N.A., Amegy Bank, N.A., and Compass Bank.

Refer to the market profile for the state of Texas in Appendix C for detailed demographics and other performance context information for this AA.

Scope of Evaluation in Texas

The Houston AA received a full-scope review, as this is the only AA in the state. In this evaluation, we placed greater emphasis on the bank's small business lending, as the business focus in Texas varies significantly from other rating areas. Due to the level of competition for home mortgage loans in the Houston AA, the bank's strategic focus is small business lending, and only originates home mortgage loans as an accommodation to its business clients in this AA. As a result, secondary weight was given to home mortgage lending. An analysis of small farm lending was not performed, as the bank did not originate or purchase a sufficient number of this loan type during the evaluation period to analyze.

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the lending test in Texas is rated "Low Satisfactory." Based on a full-scope review, the bank's performance in the Houston MSA is adequate.

Lending Activity

The bank's overall lending activity in the state of Texas is good, considering the strong level of competition for all types of loans in the bank's AA. Many competitors are nationally active banks. In performing our analysis, we placed greater weight on the comparison of TNB's business lending rankings to similarly situated institutions, as this is the bank's lending focus in this AA.

Refer to Table 1 Lending Volume in the state of Texas section of Appendix D for the facts and data used to evaluate the bank's lending activity.

The deposit market share was .30 percent at June 30, 2011, which ranked 29th out of 91 deposit-taking institutions. TNB ranks 18th out of 156 lenders in the AA reporting CRA small business loans, with a 0.4 percent market share. Five large national credit card lenders dominated the small business market, as they held 77.4 percent of the small business lending market. TNB also faces strong competition in the mortgage market as the top five lenders controlled between 36.0 and 56.0 percent of the markets, depending on product type. TNB's home purchase market share was 0.1 percent, ranking 87th out of 536 lenders in the market. The bank's home refinance market share was 0.1 percent, ranking 102nd out of 521 lenders in the market.

Distribution of Loans by Income Level of Geography

Overall, the geographic distribution of the bank's lending was adequate. As noted previously, we placed more weight on the bank's small loans to businesses with secondary consideration to home purchase and home refinance performance. An analysis of home improvement loans

was not performed as the bank did not originate or purchase a sufficient number of loans to analyze. The bank's performance in 2010 through 2011 received more weight than the bank's performance in 2012.

Home Mortgage Loans

Overall, the geographic distribution of home mortgage loans is very poor.

Refer to Tables 2, 3, 4, and 5 in the state of Texas section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations/purchases.

The overall geographic distribution of home purchase loans is very poor. The bank's geographic distribution of home purchase loans during 2010 through 2011 was very poor. The percentage of loans in low-income geographies was significantly below the percentage of owner-occupied units in these geographies. The portion of loans made to moderate-income geographies was significantly below the percentage of moderate-income families within those geographies. With a market share of only 0.12 percent, an analysis of home purchase lending in low- and moderate-income geographies was not meaningful. The bank's performance in 2012 was not inconsistent with the performance noted in 2010 through 2011.

The overall geographic distribution of home refinance loans is very poor. The bank's geographic distribution of home refinance loans during 2010 through 2011 was very poor. The percentage of loans in both low- and moderate-income geographies was significantly below the percentage of owner-occupied units in these geographies. With a market share of 0.09 percent, an analysis of home refinance lending in low- and moderate-income geographies was not meaningful. The bank's performance in 2012 was stronger than the performance noted in 2010 through 2011. Adequate performance in 2012 is the result of good penetration in low-income geographies which offset very poor performance in moderate-income geographies.

Small Loans to Businesses

Overall, the geographic distribution of small loans to businesses is good.

Refer to Table 6 in the state of Texas section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to businesses.

The overall geographic distribution of small loans to businesses is good. The bank's geographic distribution of small loans to businesses in 2010 through 2011 was good. The portion of loans made in low-income geographies exceeded the portion of businesses in those geographies, reflecting excellent performance. The portion of loans made in moderate-income geographies was below the percentage of businesses in those geographies, reflecting adequate performance. With a market share of 0.41 percent, an analysis of small loans to businesses was not meaningful. The bank's performance in 2012 was not inconsistent with the performance noted in 2010 through 2011.

Lending Gap Analysis

We reviewed summary reports and maps and analyzed TNB's home mortgage and small business lending activity over the evaluation period to identify any gaps in the geographic distribution of loans. We did not identify any unexplained conspicuous gaps. The bank's AA consists of whole geographies, meets the requirements of the CRA regulation, and does not arbitrarily exclude any low- or moderate-income areas.

Distribution of Loans by Income Level of the Borrower

The overall borrower distribution of the bank's lending is poor. As noted earlier, we gave most weight for loans to small businesses. Also, an analysis of home improvement loans was not performed as the bank did not originate or purchase a sufficient number of loans to analyze. Additionally, we considered the relatively high poverty level in the MSA in our conclusion. The bank's performance in 2010 through 2011 received greater weight than its performance in 2012.

Home Mortgage Loans

The overall borrower distribution of home mortgage lending is poor.

Refer to Tables 8, 9 and 10 in the state of Texas section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

The overall borrower distribution of home purchase loans is adequate. The bank's borrower distribution of home purchase loans during 2010 through 2011 was adequate. The portion of loans to low-income borrowers was significantly below the percentage of low-income families. The portion of loans made to moderate-income borrowers approximates the percentage of moderate-income families. With an overall home purchase loan market share of 0.12 percent, an analysis of market share performance was not meaningful. The bank's performance in 2012 was not inconsistent with the performance noted in 2010 through 2011.

The overall distribution of home refinance loans is very poor. The bank's borrower distribution of home refinance loans during 2010 through 2011 was very poor. The portion of loans to low-income borrowers was significantly below the percentage of low-income families. The portion of loans to moderate-income borrowers was significantly below the percentage of moderate-income families. With an overall home refinance loan market share of 0.09 percent, an analysis of market share performance was not meaningful. The bank's performance in 2012 was not inconsistent with the performance noted in 2010 through 2011.

Small Loans to Businesses

The overall borrower distribution of small loans to businesses is poor.

Refer to Table 11 in the state of Texas section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination and purchase of small loans to businesses.

The overall borrower distribution of small loans to businesses is poor. The bank's borrower distribution of small loans to businesses in 2010 through 2011 was poor. The percentage of small loans to small businesses (businesses with gross annual revenue of \$1 million or less) was well below the percentage of small businesses. With an overall market share of 0.41 percent, an analysis of lending to small loans to businesses was not meaningful. The bank's performance in 2012 was not inconsistent with the performance noted in 2010 through 2011.

Community Development Lending

Refer to Table 1 Lending Volume in the state of Texas section of Appendix D for the facts and data used to evaluate the bank's level of community development lending. This table includes all CD loans, including multifamily loans that also qualify as CD loans.

TNB's level of CD lending had a neutral impact on its overall lending performance in the Houston MSA AA. TNB reported two loans totaling \$27,000 to organizations providing community services to LMI individuals. The services provided were after-school education and mentoring for children of low- and moderate-income residents.

Product Innovation and Flexibility

TNB offers a standard product mix of loans including FHA, VA, and SBA loans. TNB did not offer any other innovative or flexible loan products in the state of Texas.

INVESTMENT TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the investment test in Test is rated "Outstanding." Based on a full-scope review, the bank's performance in the Houston MSA is excellent.

Refer to Table 14 in Appendix D for the facts and data used to evaluate the bank's level of qualified investments.

During the evaluation period, TNB made 53 investments in the Houston MSA totaling \$20 million. We considered the ongoing impact that investments made prior to the current evaluation period had within the AA. The remaining balance on 10 prior period investments as of the date of our examination was \$8.5 million. When considering both current and prior period investments, the total of \$20 million represents approximately 29.9 percent of allocated Tier One Capital for the AA, which we consider excellent.

The bank's responsiveness to the CD needs in the AA is excellent. In terms of total dollar amount, 82.3 percent of the bank's investments and grants were to organizations focused on affordable housing. These items were entirely in the form of mortgage-backed securities where the underlying mortgages were made to LMI borrowers. TNB's remaining investments and grants were to organizations focused on community service and economic development. Significant investments in this AA included a \$962 thousand dollar investment into a Small Business Investment Corporation (SBIC), part of a five million dollar commitment. TNB made

numerous small contributions to charitable organizations that provide qualifying community services.

Funding for affordable housing is one of the main CD needs in the AA. There are ample investment opportunities for financial institutions in the AA. Community development corporations (CDC), community development financial institutions (CDFI), and many nonprofit organizations are located in and serve the greater Houston area. These organizations provide affordable housing and community services to LMI families, economic development activities, and small business financial and educational support.

SERVICE TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the service test in Texas is rated "Low Satisfactory." Based on a full-scope review, the bank's performance in the Houston MSA is adequate.

Retail Banking Services

Refer to Table 15 in the state of Texas section of appendix D for the facts and data used to evaluate the distribution of the bank's branch delivery system and branch openings and closings.

TNB's branch distribution in the AA is adequate. The bank's branch distribution in 2010 through 2011 was adequate. Branches were reasonably accessible to geographies and individuals of different income levels. There are no branches located in low-income CTs; however, the population in these tracts is very low. Access to branches in moderate-income geographies was adequate as compared to the distribution of population living in these geographies. The bank's branch distribution performance was stronger in 2012 than noted in 2010 through 2011 and was considered good, after considering the additional access provided by branches located near to low- or moderate-income geographies. Near-to-branches are those located in middle- or upper-income geographies that are within one half mile from a low- or moderate-income geography. Actual branch distribution performance in low- and moderate-income geographies in 2012 was unchanged from the 2010 through 2011 analysis. However, due to CT income designation changes in the 2010 census, two branches located in middle- or upper-income tracts became near-to a CT that changed to a moderate-income designation. The 2012 performance, though improved, did not have an impact on the overall branch distribution conclusion for the AA.

Branch openings and closings generally have not adversely affected the overall accessibility of the bank's delivery systems to low- and moderate-income geographies. During the evaluation period the bank closed one branch in a middle-income geography. This closure was due to a reduction in business activity at the branch.

TNB's hours and services offered through the Houston AA were adequate. Services offered and hours are comparable among locations regardless of the income level of the geography.

Management complements its traditional service delivery methods with certain alternative delivery processes, such as: online banking, which includes bill pay and mobile banking; automated teller machines; and, a bank at work program. No significant weight was placed on these alternative delivery systems, as the bank did not maintain metrics to determine their effectiveness in helping to meet the credit needs of low- and moderate-income geographies or low- and moderate-income individuals.

Community Development Services

TNB's performance in providing community development services in the Houston MSA was good. In the Houston MSA, 34 employees provided their expertise to 20 different community development organizations. Eight bank employees served as either board or committee members of seven different local community development organizations, including an affordable housing corporation, homeless shelters and child welfare organizations. Two bank employees volunteered to assist two community development organizations by providing financial recordkeeping assistance. In addition, Twenty-four employees participated with 11 schools by teaching financial literacy classes. These classes were presented to 390 students, the majority of whom were from low- or moderate-income families.

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): 01/01/2010 to 12/31/2012 Investment and Service Tests and CD Loans: 04/12/2010 to 12/31/2012	
Financial Institution	Products Reviewed	
Trustmark National Bank(TNB) Jackson, MS	Home Purchase, Home Improvement, and Home Refinance loans; Multi Family loans; Small Business loans; Community Development loans, investments, and services	
Affiliate(s)	Affiliate Relationship	Products Reviewed
None.		No affiliate products reviewed
List of Assessment Areas and Type of Examination		
Assessment Area	Type of Exam	Other Information (Reflects counties in non-MSA areas and/or MSAs where whole MSAs were not selected)
Memphis TN-MS-AR MMSA	Full Scope	Shelby (TN) and Desoto (MS) counties
<u>Mississippi</u>		
Jackson MSA	Full Scope	
MS East non-MSA	Full Scope	Greene, Lauderdale, Leake, Lowndes, Neshoba, Okibbeha counties
Gulfport-Biloxi MSA	Limited Scope	Harrison county
Hattiesburg MSA	Limited Scope	
MS Central non-MSA	Limited Scope	Jones and Smith counties
MS North non-MSA	Limited Scope	Alcorn, Itawamba, Lafayette, Lee counties
MS Southwest non-MSA	Limited Scope	Amite, Lincoln, Marion, Pike, Walthall counties
MS West non-MSA	Limited Scope	Bolivar, Leflore, Warren, Washington counties
<u>Florida</u>		
Panama City-Lynn Haven-Panama City Beach MSA	Full Scope	
Crestview-Fort Walton Beach-Destin MSA	Limited Scope	Southern portion of Okaloosa county
FL non-MSA	Limited Scope	Walton county
<u>Texas</u>		
Houston-Sugar Land-Baytown MSA	Full Scope	Harris, Waller, and portion of Ft. Bend counties

Appendix B: Summary of Multistate Metropolitan Area and State Ratings

RATINGS		TRUSTMARK NATIONAL BANK		
Overall Bank:	Lending Test Rating*	Investment Test Rating	Service Test Rating	Overall Bank/State/Multistate Rating
Trustmark National Bank	High Satisfactory	Outstanding	Outstanding	Outstanding
Multistate Metropolitan Area or State:				
Memphis MMSA	Low Satisfactory	Outstanding	Low Satisfactory	Satisfactory
State of Mississippi	High Satisfactory	Outstanding	Outstanding	Outstanding
State of Florida	High Satisfactory	Outstanding	High Satisfactory	Satisfactory
State of Texas	Low Satisfactory	Outstanding	Low Satisfactory	Satisfactory

(*) The lending test is weighted more heavily than the investment and service tests in the overall rating.

Appendix C: Market Profiles for Full-Scope Areas

Memphis TN-MS-AR Multistate MSA

Memphis MMSA

Demographic Information for Full-Scope Area: Memphis MMSA 2000 Census						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	239	17.57	24.69	24.27	32.22	1.26
Population by Geography	1,004,671	9.78	25.58	28.36	35.81	0.48
Owner-Occupied Housing by Geography	244,180	5.82	20.82	28.58	44.78	0.00
Business by Geography	103,960	6.95	15.74	24.79	52.20	0.31
Farms by Geography	1,815	3.69	13.44	25.73	56.86	0.28
Family Distribution by Income Level	260,728	21.91	16.18	19.37	42.54	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	99,298	17.36	39.02	27.56	16.07	0.00
Median Family Income HUD Adjusted Median Family Income for 2011 Households Below Poverty Level		46,771 58,300 14%	Median Housing Value Unemployment Rate (2000 US Census)		104,262 3.18%	

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2000 US Census and 2011 HUD updated MFI

Memphis MMSA

Demographic Information for Full-Scope Area: Memphis MMSA 2010 Census						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	254	21.65	21.65	24.80	29.92	1.97
Population by Geography	1,088,896	14.71	21.10	24.88	38.87	0.45
Owner-Occupied Housing by Geography	253,271	9.16	17.02	25.76	48.06	0.00
Business by Geography	98,422	10.04	19.02	23.31	46.88	0.75
Farms by Geography	1,861	7.15	14.88	23.32	54.11	0.54
Family Distribution by Income Level	265,827	23.80	15.93	17.29	42.98	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	105,609	26.26	31.54	23.91	18.29	0.00
Median Family Income HUD Adjusted Median Family Income for 2012 Households Below Poverty Level		56,557 59,100 16%	Median Housing Value Unemployment Rate (2010 US Census)		141,606 5.01%	

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2010 US Census and 2012 HUD updated MFI

The bank's Memphis multistate AA consists of Shelby County in Tennessee and Desoto County in Mississippi. The bank's AA does not arbitrarily exclude any areas, particularly low-

or moderate-income areas. The AA includes the city of Memphis, the largest city in the state of Tennessee, with a population of 646,889 based on 2010 census data. Therefore, the city of Memphis accounted for 59.4 percent of the population in the bank's multistate AA.

TNB provides a full range of loan and deposit products to the AA. TNB has 10 branches in Shelby County, Tennessee, and seven branches in Desoto County, Mississippi. In addition to its 17 branches, the Bank has 15 deposit-taking ATMs located in the multistate AA.

Competition for financial services within the MSA is intense and includes several branches of multi-national and regional banks, local community banks, credit unions and other nonbank financial service providers. As of June 30, 2011, the bank's deposits in the Memphis AA totaled \$462.9 million, and TNB ranked 7th out of 46 banks with a 2.3 percent market share. As of June 30, 2012, the bank's deposits totaled \$497.6 million, ranking 7th out of 45 banks with a 2.4 percent market share in the AA.

Employment and Economic Factors

According to the Bureau of Labor Statistics, as of April 2013, the unemployment rate for the AA ranged from 9.2 percent in Shelby county, TN to 6.6 percent in Desoto County, MS, with the Memphis Metropolitan Statistical area at 9.0 percent. This compares to April 2012 unemployment rates of 8.5 percent, 7.0 percent, and 8.5 percent, respectively. In April 2010 and 2011, the unemployment rate in the Memphis MSA was slightly higher at 9.9 percent in both years. In 2010 and 2011, the unemployment rates for Shelby County, TN was 9.8 percent and 9.7 percent, respectively; and the unemployment rates for Desoto County, MS was 7.9 percent and 8.4 percent, respectively. While the unemployment rate in Desoto County, MS decreased in the past year, the rate increased in Shelby County, TN and Memphis. Recovery from depressed economic conditions in Shelby County, TN and Memphis have lagged behind the United States as a whole. United States unemployment rates decreased from 7.7 percent to 7.1 percent over the same period.

The major employers in the AA include trade, transportation, and utilities industries; education and health services, government, and tourism. Memphis is the home of Fortune 500 companies FedEx, AutoZone, and International Paper. Other top employers include Service Master and St. Jude Children's Research Hospital. Memphis is the world headquarters for FedEx, which provides 31,000 jobs to the MSA. The other major employers each provide jobs for 1300 to 3500. The Memphis economy has faced obstacles for employment growth due to heavy reliance on the transportation industry, including high dependence on the one dominant employer, FedEx.

Housing

Based on 2000 census data and 2011 HUD information, of all owner-occupied units and all occupied rental units in the AA, 26.6 percent and 48.3 percent were located in LMI census tracts, respectively. Of persons 16 years and older living in low- and moderate-income tracts, 30.2 percent were unemployed. The median housing value in the Memphis AA was \$104,262, yet 12.0 percent of families were below the poverty level, rendering the price of housing unreachable for many families in LMI census tracts.

Demographic information reveals that housing affordability for low- and moderate-income families continue to deteriorate in 2010. Based on 2010 census data and 2012 HUD information, within the AA, total housing units consisted of 55.54 percent owner-occupied units, 31.34 percent occupied rental units, and 13.10 percent vacant units. This is a decrease of 5.00 percent available owner-occupied housing units and an increase of 6.70 percent vacant units since the 2000 census. Rental units decreased by only 1.60 percent during the same period. Of all owner-occupied units and all occupied rental units, 26.2 percent and 53.3 percent are located in LMI census tracts, respectively. Since the 2000 census, this represents an increase of five percent of owner-occupied units in low- and moderate-income tracts.

Based on 2010 census data, of persons 16 years and older living in low- and moderate-income tracts, 36.32 percent were unemployed. This is a 6.10 percent increase since the 2000 census. The median housing value in the Memphis AA was \$159,086, yet 14.1 percent of families were below the poverty level, rendering the price of housing unreachable for many families in LMI census tracts. Families below the poverty level have increased 2.0 percent since the 2000 census. Also, in 2010, the median housing value in the Memphis AA increased 35.80 percent over 2000 census data and the overall unemployment rate increased 1.80 percent.

According to data from real estate information firm CoreLogic, foreclosure rates in Memphis increased from 2.59 percent in April 2011 to 2.65 percent in the same month in 2012.

Community Contact

Contact by the OCC with a local based nonprofit organization serving the Memphis area identified affordable housing for low- and moderate-income families as the greatest need in the assessment area. Business development opportunities are hampered by the city's ongoing struggle with urban poverty. The nonprofit organization also identified needs for public services, especially given the high poverty rate. These included health services, services for children experiencing homelessness, child care, transportation, welfare/child welfare, family literacy, financial literacy, job/employment training, education services, and others.

State of Mississippi

Jackson MSA

Demographic Information for Full-Scope Area: Jackson MSA 2000 Census						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	115	12.17	28.70	31.30	27.83	0.00
Population by Geography	497,197	6.99	27.33	35.39	30.29	0.00
Owner-Occupied Housing by Geography	126,176	3.86	22.94	37.76	35.43	0.00
Business by Geography	70,008	6.83	23.35	33.85	35.97	0.00
Farms by Geography	1,495	2.21	17.46	48.16	32.17	0.00
Family Distribution by Income Level	128,734	23.29	16.35	19.29	41.07	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	51,029	10.94	39.76	34.60	14.70	0.00
Median Family Income HUD Adjusted Median Family Income for 2011 Households Below Poverty Level		44,383 58,000 16%	Median Housing Value Unemployment Rate (2000 US Census)		78,871 3.12%	

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2000 US Census and 2011 HUD updated MFI

Demographic Information for Full-Scope Area: Jackson MSA 2010 Census						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	123	16.26	21.14	35.77	26.83	0.00
Population by Geography	539,057	10.17	18.67	41.66	29.50	0.00
Owner-Occupied Housing by Geography	133,175	5.37	16.79	42.35	35.49	0.00
Business by Geography	63,614	10.97	18.32	38.68	32.03	0.00
Farms by Geography	1,504	4.26	16.42	47.67	31.65	0.00
Family Distribution by Income Level	133,588	23.52	16.55	18.32	41.61	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	53,528	17.34	27.09	40.84	14.73	0.00
Median Family Income HUD Adjusted Median Family Income for 2012 Households Below Poverty Level		55,765 58,800 17%	Median Housing Value Unemployment Rate (2010 US Census)		124,473 3.64%	

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2010 US Census and 2012 HUD updated MFI

The Jackson MSA AA is comprised of five contiguous counties: Copiah, Hinds, Madison, Rankin, and Simpson, and is located in the central region of the state of Mississippi. The AA includes the city of Jackson, the state's capital, the county seat in Hinds County, and the most populated urban area in the MSA. As of the 2010 census, the AA population increased by 41,860 or 8.4 percent between the 2000 U.S. Census and the 2010 Census. Census bureau estimates made in July 2012 indicate further population growth in the Jackson MSA AA to

576,800 or 7.0 percent. The assessment area meets the requirements of the CRA regulation and does not arbitrarily exclude any areas, particularly low- and moderate-income geographies.

Based on the 2000 Census, the median family income in the AA is \$44,383. By the time of the 2010 census, the median family income increased 25.6 percent to \$55,765. In terms of the distribution of families by income, at 2010, we note that 40.1 percent were low- and moderate-income, representing an increase from 39.6 percent reported as low- and moderate-income in the 2000 census. Families living below the poverty level remained constant at 13.6 percent, compared to 16.7 percent statewide.

There exists strong competition for financial services within the bank's AA, as there are several branches of multi-national and regional banks, local community banks, credit unions, and other nonbank financial institutions operating in the AA. The majority of the bank's branches in the state are in this rating area. TNB has 50 full-service branches in the AA as of December 31, 2012. The bank supplements its branch network with 30 ATMs. The bank's deposits in the Jackson MSA as of June 30, 2011, totaled \$3.8 billion, representing 61.1 percent of total TNB deposits in the state.

Employment and Economic Factors

Historically, Mississippi is one of the most rural states in the United States and agriculture was the primary industry. However, in the previous four decades the state has made a concerted effort to diversify its economic infrastructure. Today, approximately 83.0 percent of wage and salary employment in Mississippi is in service-providing industries, with the remaining 17.0 percent in the goods-producing industries of manufacturing, construction and natural resources/mining. In Mississippi, manufacturing provides 12.0 percent of total jobs. The largest employers in the service-providing sectors are local government, retail trade, health care and social assistance, and accommodation and food services. Within manufacturing, employees in furniture and wood products account for 37.0 percent of manufacturing employment. Transportation equipment (including both shipbuilding and automobile production), machinery manufacturing, electrical equipment, and fabricated metal products account for 35.0 percent of manufacturing employment.

According to the Bureau of Labor Statistics, as of December 2012, the unemployment rate for the AA was 7.5 percent, which compares favorably with the national average (7.8 percent) and is significantly below the statewide average of 8.9 percent. The city of Jackson is home to several major industries, including electrical equipment and machinery, processed food, and primary and fabricated metal products. The surrounding area supports agricultural development of livestock, soybeans, cotton, and poultry.

The largest employer in the AA is the State of Mississippi. In addition, other top employers in the AA include University of Mississippi Medical Center; U.S. Government; Jackson Public Schools; Nissan North America; Rankin County School District; Baptist Health Systems; Wal-Mart Stores, Inc.; St. Dominic Hospital; Mississippi State Hospital; and the City of Jackson.

Housing

Based on the 2000 census, the median housing value in the Jackson MSA was \$78,871. Per the 2010 census, despite the nationwide slump in housing, the median housing value in the AA increased to a relatively affordable \$124,473. However, as of December 2012, the Jackson MSA area had a 6.2 percent foreclosure rate, as reported by foreclosure-response.org. This is a moderately high ranking, as the AA ranks 76th out of 366 metropolitan areas within the United States. For prime rate mortgages, the foreclosure rate is 3.7 percent, compared to 20.4 percent for subprime rate mortgage loans.

There are limited opportunities for residential mortgage lending in low- and moderate-income census tracts. Per the 2010 census, only 5.4 percent of owner-occupied units were located in low-income census tracts, and this is significantly higher than the 3.9 percent reported by the 2000 census. Approximately 16.8 percent of owner-occupied units were located in moderate-income census tracts, compared to 22.9 percent as reported in the 2000 census. Per the 2010 census, in low-income census tracts, 18.8 percent of occupied housing units were rentals and 19.0 percent were vacant. In moderate-income census tracts, 22.8 of occupied housing units were rentals, and 29.7 percent were vacant units. In addition, the percentage of vacant homes, which are disproportionately located in low- and moderate-income census tracts, increased as noted by the two most recent censuses. The vacancy percentage increased from 17.1 percent to 19.8 percent in low-income census tracts and from 10.2 percent to 16.6 percent in moderate-income geographies. Thus, opportunities for residential mortgage lending in low- and moderate-income census tracts are limited in relation to the opportunities in middle- and upper-income geographies.

Community Contact

Three community contacts were considered as part of this performance evaluation. Organizations contacted identified financing for rehabilitation of existing homes, support for neighborhood revitalization/stabilization projects, financial literacy/homebuyer education classes, down payment assistance programs, and lower-interest automobile financing, as needs in the AA.

MS East non-MSA areas

Demographic Information for Full-Scope Area: MS East non-MSA areas 2000 Census						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	51	5.88	19.61	52.94	21.57	0.00
Population by Geography	245,572	3.63	13.99	56.13	26.26	0.00
Owner-Occupied Housing by Geography	62,776	2.29	11.41	60.26	26.04	0.00
Business by Geography	31,027	6.48	15.94	53.07	24.52	0.00
Farms by Geography	604	2.48	9.60	64.07	23.84	0.00
Family Distribution by Income Level	63,178	22.63	14.25	18.05	45.07	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	23,301	6.94	20.60	55.96	16.49	0.00
Median Family Income		33,550	Median Housing Value		65,360	
HUD Adjusted Median Family Income for 2011		41,600	Unemployment Rate (2000 US Census)		3.74%	
Households Below Poverty Level		23%				

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

Source: 2000 US Census and 2011 HUD updated MFI

MS East non-MSA areas

Demographic Information for Full-Scope Area: MS East non-MSA areas 2010 Census						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	55	5.45	14.55	43.64	36.36	0.00
Population by Geography	255,592	4.68	10.17	49.54	35.61	0.00
Owner-Occupied Housing by Geography	62,065	3.33	7.56	49.29	39.82	0.00
Business by Geography	26,034	5.37	12.03	49.21	33.39	0.00
Farms by Geography	594	1.18	7.74	48.82	42.26	0.00
Family Distribution by Income Level	62,237	22.45	15.39	15.70	46.45	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	23,554	9.45	13.93	50.57	26.05	0.00
Median Family Income		40,724	Median Housing Value		95,236	
HUD Adjusted Median Family Income for 2012		42,200	Unemployment Rate (2010 US Census)		4.67%	
Households Below Poverty Level		23%				

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

Source: 2010 US Census and 2012 HUD updated MFI

The MS East Non-MSA AA includes Greene, Lauderdale, Leake, Lowndes, Neshoba, and Oktibbeha Counties. As of the 2010 census, the AA population increased by 10,020 or 4.1 percent between the 2000 U. S. Census and the 2010 Census. Census bureau estimates made in July 2012 indicates a 0.1 percent decrease in population in the MS East Non-MSA AA to 255,475. The assessment area meets the requirements of the CRA regulation and does not arbitrarily exclude any areas particularly low- and moderate-income geographies.

Based on the 2000 census, the median family income in the AA is \$33,500. By the time of the 2010 census, the median family income increased 21.6 percent to \$40,724. In terms of the distribution of families by income, at 2010, we note that 37.8 percent were low- and moderate-income, as compared to 39.6 percent in the 2000 census. Families living below the poverty also decreased from 22.5 percent in 2000 to 18.0 percent in 2010, compared to 16.7 percent statewide.

There is competition for financial services within the bank's AA, as there are branches of regional and local community banks operating in the AA. As of December 31, 2012, TNB operated 16 branches and 7 ATMs in this rating area. The bank's deposits in the MS East Non-MSA AA as of June 30, 2011, totaled \$547 million, representing 8.8 percent of total TNB deposits in the state.

Employment and Economic Factors

Leaksville, Mississippi is a town located along the Chickasawhay River in Greene County, around the junction of Mississippi routes 57 and 63. It is the county seat of Greene County. The Mississippi Department of Corrections South Mississippi Correctional Institution is located in unincorporated Greene County, near Leaksville. Per the July 2012 census estimates, the population in Greene County was 14,311. The private sector employs approximately 70 percent of the workforce in Greene County; 21 percent are employed by the government sector, and 9 percent of the workforce is self-employed. Industries employing the majority of the workforce include manufacturing (18.3 percent); educational/health/social services (18.3 percent); and construction (14.4 percent). According to the Bureau of Labor Statistics, as of December 2012, the unemployment rate for the Greene County portion of the AA was 10.4 percent, significantly higher than the statewide unemployment rate of 8.9 percent, and the national rate of 7.8 percent.

Lauderdale County is the largest county in the Meridian Micropolitan Statistical Area (MSA). Per the July 2012 census estimates, the population in Lauderdale County was 80,220. The city of Meridian is the county seat. Meridian is the sixth largest city in the state and the principal city of the Meridian MSA. The city is east of Jackson, MS, west of Birmingham, AL, northeast of New Orleans, LA, and southeast of Memphis, TN. The Mississippi Department of Mental Health operates the East Mississippi State Hospital in Meridian. The private sector employs approximately 76 percent of the workforce in Lauderdale County; 18 percent are employed by the government sector, and 6 percent are self-employed. Industries employing the majority of the workforce in the Lauderdale County portion of the AA include educational/health/social services (25 percent); manufacturing (14.8 percent); and retail trade (13.3 percent). Major employers in Lauderdale County include Naval Air Station Meridian, Rush Health Systems, East Mississippi State Hospital, Meridian Public School District, Anderson Regional Medical Center, and Peavey Electronics. According to the Bureau of Labor Statistics, as of December 2012, the unemployment rate for the Lauderdale County portion of the AA was 9.9 percent, significantly higher than the statewide unemployment rate of 8.9 percent, and the national rate of 7.8 percent.

The city of Carthage, Mississippi is the county seat of Leake County. Per the July 2012 census estimates, the population in Leake County was 23,297. The private sector employs approximately 78 percent of the workforce in Leake County; 15 percent are employed by the government sector, and 7 percent of the workforce are self-employed. Industries employing

the majority of the workforce include manufacturing (23.5 percent); educational/health/social services (18.2 percent); and retail trade (11.1 percent). According to the Bureau of Labor Statistics, as of December 2012, the unemployment rate for the Leake County portion of the AA was 11.5 percent, significantly higher than the statewide unemployment rate of 8.9 percent, and the national rate of 7.8 percent.

Columbus, Mississippi is the county seat of Lowndes County and the principal city of the Columbus Micropolitan Statistical Area, which is part of the larger Columbus-West Point Combined Statistical Area. Columbus is also part of the area of northeast Mississippi known as the Golden Triangle, consisting of Columbus, West Point, and Starkville, MS. Columbus is northeast of Jackson, MS, north of Meridian, MS, south of Tupelo, MS, northwest of Tuscaloosa, AL, and west of Birmingham, AL. Per the July 2012 census estimates, the population in Lowndes County was 59,670. The private sector employs approximately 76 percent of the workforce in Lowndes County; 7 percent are employed by the government section, and 7 percent are self-employed. Primary industries employing the majority of the workforce in the Lowndes County portion of the AA include manufacturing (22.6 percent); educational/health/social services (20.6 percent); and retail trade (12.2 percent). Major employers in this portion of the AA include Columbus Air Force Base; Baptist Memorial Hospital – Golden Triangle; Mississippi University for Women; Columbus Municipal School District; Lowndes County School District; Weyerhaeuser Columbus Fibers Mills; Severstal – North America; American Eurocopter; Omnova Solutions; and Aurora Flight Sciences. According to the Bureau of Labor Statistics, as of December 2012, the unemployment rate for the Lowndes County portion of the AA was 10.6 percent, significantly higher than the statewide unemployment rate of 8.9 percent, and the national rate of 7.8 percent.

Philadelphia, Mississippi is the county seat of Neshoba County. Neshoba County is recognized for the Neshoba County Fair and harness horse races. The Mississippi Band of Choctaw Indians (MBCI) own and operate one of the largest casino complexes in this region of the state. The Silver Star and Golden Moon casinos are the first land based casinos in Mississippi and are part of the MBCI's Pearl River Resort. Per the July 2012 census estimates, the population in Neshoba County was 29,785. The private sector employs approximately 73.0 percent of the workforce in Neshoba County; 19.0 percent are employed by the government sector, and 7.0 percent are self-employed. Primary industries employing the majority of the workforce in Neshoba County portion of the AA include educational/health/social services (21.0 percent); manufacturing (21.0 percent); retail trade (12.2 percent); and art/entertainment/accommodation/food services (11.9 percent). According to the Bureau of Labor Statistics, as of December 2012, the unemployment rate for the Neshoba County portion of the AA was 7.4 percent, which is significantly below the statewide unemployment rate of 8.9 percent, and compares favorably with the national rate of 7.8 percent.

Starkville, Mississippi is the county seat of Oktibbeha County. Starkville is an anchor of the Golden Triangle region of northeast Mississippi. The Starkville Micropolitan Statistical Area includes all of Oktibbeha County. The campus of Mississippi State University (MSU) is partially located in Starkville. Per the July 2012 census estimates, the population in Oktibbeha County was 48,192. The private sector employs approximately 59.0 percent of the workforce in Oktibbeha County; 36.0 percent are employed by the government sector, and 4.0 percent are self-employed. Primary industries employing the majority of the workforce in Oktibbeha County portion of the AA include educational/health/social services (39.4 percent);

manufacturing (12.7 percent); and retail trade (11.4 percent). According to the Bureau of Labor Statistics, as of December 2012, the unemployment rate for Oktibbeha County was 11.1 percent, significantly higher than the statewide unemployment rate of 8.9 percent and the national rate of 7.8 percent.

Housing

Based on the 2000 census, the median housing value in the MS Non-MSA was \$33,550. Per the 2010 census, despite the nationwide slump in housing, the median housing value in the AA increased to a relatively affordable \$40,724. However, there are limited opportunities for residential mortgage lending in low- and moderate-income census tracts. Per the 2010 census, only 3.3 percent of owner-occupied housing units were located in low-income census tracts and 7.6 percent were located in moderate-income geographies. Per the 2010 census, in low-income census tracts, 9.1 percent of occupied housing units were rentals and 6.6 percent were vacant. In moderate-income census tracts, 15.0 percent of occupied housing units were rentals and 11.0 percent were vacant units. In addition, the percentage of vacant homes, which are disproportionately located in low- and moderate-income census tracts, increased as noted by the two most recent censuses. The vacancy percentage increased from 13.8 percent to 16.4 percent in low-income census tracts and from 11.9 percent to 14.6 percent in moderate-income geographies. Thus, opportunities for residential mortgage lending in low- and moderate-income census tracts are limited in relation to the opportunities in middle- and upper-income geographies.

Community Contacts

Two community contacts were considered as part of this performance evaluation. Organizations contacted stated that payday lenders are prevalent in the AA, suggesting that small dollar lending programs were an identified need as a means to counteract the use of these nonbank financial institutions. In addition, homebuyer education as well as IDA programs as a potential source of down payment assistance would be of benefit to the AA.

State of Florida

Panama City-Lynn Haven-Panama City Beach MSA

Demographic Information for Full-Scope Area: Panama City-Lynn Haven-Panama City Beach MSA 2000 Census						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	29	3.45	34.48	41.38	20.69	0.00
Population by Geography	148,217	1.13	25.20	53.34	20.32	0.00
Owner-Occupied Housing by Geography	40,892	1.02	19.70	56.31	22.98	0.00
Business by Geography	24,262	0.63	22.57	54.62	22.17	0.00
Farms by Geography	539	0.37	22.82	54.17	22.63	0.00
Family Distribution by Income Level	40,653	19.46	18.07	22.04	40.43	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	15,258	2.58	32.23	52.98	12.22	0.00
Median Family Income HUD Adjusted Median Family Income for 2011 Households Below Poverty Level		43,088 57,500 13%	Median Housing Value Unemployment Rate (2000 US Census)		89,146 2.27%	

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

Source: 2000 US Census and 2011 HUD updated MFI

Demographic Information for Full-Scope Area: Panama City-Lynn Haven-Panama City MSA 2010 Census						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	43	2.33	25.58	51.16	20.93	0.00
Population by Geography	168,852	2.17	19.59	56.82	21.42	0.00
Owner-Occupied Housing by Geography	45,433	1.32	16.25	58.45	23.98	0.00
Business by Geography	23,414	3.00	15.91	52.17	28.93	0.00
Farms by Geography	543	1.66	14.00	60.96	23.39	0.00
Family Distribution by Income Level	44,480	19.62	18.45	21.72	40.21	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	16,933	3.79	28.77	53.48	13.96	0.00
Median Family Income HUD Adjusted Median Family Income for 2012 Households Below Poverty Level		56,877 58,300 12%	Median Housing Value Unemployment Rate (2010 US Census)		196,858 3.65%	

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

Source: 2010 US Census and 2012 HUD updated MFI

The Panama City AA is comprised of all of Bay County Florida and is located in northwest Florida. The most heavily populated cities are Panama City and Lynn Haven. The AAs population increased by 20,635 or 13.92 percent between the 2000 Census and 2010 Census. The Census Bureau estimates the population has increased to 171,903 or 1.8 percent as of July 2012. The assessment area meets the requirements of the CRA regulation and does not arbitrarily exclude any areas, particularly low- and moderate-income geographies.

According to the 2000 Census, the number of families in the Panama City AA was 40,653 in 2000. The median family income was \$43,088 and nine percent of families in the AA had incomes below the poverty level. Based on the 2010 Census there were 44,480 families in the AA and median family income increased to \$56,877. The level of families living below the poverty level remained at nine percent.

TNB provides a full range of loan and deposit products to the AA. TNB has four full-service branches in the AA as of December 31, 2011 and nine as of December 31, 2013. The bank supplements its branch network with seven ATMs (two deposit taking) as of December 31, 2011 and 13 (seven deposit taking) as of December 31, 2012. Competition for financial services within the bank's assessment area is intense and includes several branches of multi-national and regional banks, local community banks, credit unions, and other nonbank financial service providers. The bank's deposits in the Panama City MSA as of June 30, 2011 totaled \$223 million and ranks as the eighth largest commercial bank out of 34 banks in the AA with a 4.04 percent of market share.

Employment and Economic Factors

According to the Bureau of Labor Statistics, as of May 2013, the unemployment rate for the AA was 4.8 percent. This compares favorably to the statewide unemployment rate was 7.1 percent and national unemployment rate of 7.8 percent.

The AA's economy is primarily based on tourism and the military. The AA also has a diverse group of local industries ranging from call centers of nationally known companies to major manufacturers. The largest employer in the AA is Tyndall Air Force Base which has provided a stable source of jobs and income for the area. In addition, there is a large presence of supporting defense contractors in the AA and region. Major employers in the AA also include Gulf Power, Rock Tenn, and Arizona Chemical.

The city's economy has stabilized and has turned around since the real estate crisis that started in 2007. The improvement is attributed to an increase in large retail businesses. The AA's population is expected to continue to grow, driven by expected increases in retail employment and real estate related growth. The AA has a relatively well-educated population with below-average income, a combination that signals a favorable recruiting environment for new and expanding companies.

Housing

Within the Panama City AA, total housing units consist of 52.13 percent owner-occupied units, 23.85 percent rental units, and 24.02 percent vacant units, per the 2000 Census. Of all owner-occupied and occupied rental units, 1.02 percent and 19.70 percent were located in low- and moderate-income census tracts, respectively. According to the 2010 Census the AA, total housing units consisted of 46.22 percent owner-occupied units, 23.78 percent rental units, and 30 percent vacant units. Of all owner-occupied and occupied rental units, 1.32 percent and 16.25 percent are located in low- and moderate-income census tracts, respectively. Based on the 2000 Census, the median housing value in the Panama City MSA is \$89,146. The median housing value increased to \$196,858 based on 2010 Census data and reflects an improvement from the significant decline in housing values due to poor local and global economic conditions attributed to the 2008 recession. While home values and home sales

prices have improved over the evaluation period, foreclosures remain high when compared to levels prior to the recession. Foreclosure levels throughout the recession have effect the pool of qualified borrowers for home loans. Additionally, the increase in home values indicates that many low-and-moderate income borrowers may be priced out of the homes market.

Community Contact

Two community contacts were considered as part of this performance evaluation. Affordable housing and down payment assistance for first time home buyers was cited as needs by the organizations contracted.

State of Texas

Houston-Sugar Land-Baytown MSA

Demographic Information for Full-Scope Area: Houston-Sugar Land-Baytown MSA 2000 Census						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	676	9.32	33.28	27.51	28.70	1.18
Population by Geography	3,580,802	7.83	32.69	28.81	30.53	0.14
Owner-Occupied Housing by Geography	713,455	3.69	24.76	29.88	41.67	0.00
Business by Geography	513,410	4.40	22.49	27.20	45.67	0.24
Farms by Geography	7,115	3.56	19.59	33.62	43.16	0.07
Family Distribution by Income Level	888,753	23.62	17.60	18.63	40.15	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	366,342	13.64	46.47	26.86	13.03	0.00
Median Family Income HUD Adjusted Median Family Income for 2011 Households Below Poverty Level		51,431 66,000 13%	Median Housing Value Unemployment Rate (2000 US Census)		101,686 3.13%	

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2000 US Census and 2011 HUD updated MFI

Demographic Information for Full-Scope Area: Houston-Sugar Land-Baytown MSA 2010 Census						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	820	15.24	30.85	23.54	29.88	0.49
Population by Geography	4,354,970	12.25	29.64	26.80	30.90	0.41
Owner-Occupied Housing by Geography	853,176	5.53	24.57	28.40	41.50	0.00
Business by Geography	493,230	10.06	22.17	24.03	43.68	0.07
Farms by Geography	7,141	6.86	22.17	29.72	41.25	0.00
Family Distribution by Income Level	1,007,240	26.03	17.15	17.29	39.53	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	434,913	21.04	41.36	24.06	13.54	0.00
Median Family Income HUD Adjusted Median Family Income for 2012 Households Below Poverty Level		64,179 66,900 14%	Median Housing Value Unemployment Rate (2010 US Census)		157,714 3.58%	

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2010 US Census and 2012 HUD updated MFI

The Houston AA includes all of Harris and Waller Counties and three census tracts in Fort Bend County within a portion of the Houston-Sugar Land-Baytown MSA. The AA does not include other counties in the MSA because the bank has no branches or banking operations in these counties. These exclusions do not reflect illegal discrimination or arbitrary avoidance of LMI areas. The population of the AA has increased by 774,168, or 21.6 percent, between the 2000 census and the 2010 census. Census bureau estimates made in July 2012 indicate

further population growth in all three counties, ranging from 2.6 percent in Waller County, to 7.2 percent in Fort Bend County.

Based on the 2000 Census, median family income in the AA is of \$51,431. By the time of the 2010 census, the median family income increased significantly to \$64,179. By 2012, HUD estimated that the median family income had further increased to \$66,900. In terms of the distribution of families by income, at 2010, we note that 26.0 percent were reported as low-income, an increase from 23 percent reported as low-income in the 2000 census

There are also some 319,714 small businesses located in the AA, per the 2010 census. Further, the Houston Business Journal reported in July 2012, that based on an analysis of 2010 U.S. census data, there were 119,005 businesses in the city of Houston that employ fewer than 100 persons. Thus, we consider these figures indicative of a significant segment of the overall Houston lending market.

TNB has 14 offices located within the Houston AA. As of June 30, 2011, \$413 million, or 5.6 percent of total TNB deposits are attributed to branch offices in this rating area.

Employment and Economic Factors

As of December 2012, the unemployment rates in the three counties that comprise, in whole or in part, TNB's AA are well below both state and national averages. The Bureau of Labor Statistics (BLS), reports Harris County at 6.0 percent, Waller County at 6.0 percent, and Fort Bend County at 5.4 percent. The unemployment rates demonstrate significant improvement in the overall economy since our prior evaluation. Further, they compare favorably to both the statewide unemployment rate of 6.2 percent, and the national rate of 7.8 percent. However, the poverty rate in the AA remains significant, as the U.S. Census Bureau calculated that rate for families at 13.2 percent in 2010, an increase from 11.7 percent calculated in 2000.

While still a major refinery center, area leaders have diversified the business base so its economy does not follow the drastic rise and fall of oil prices. The Houston AAs solid population growth is expected to continue, driven by growth in housing and nonresidential construction as well as a revival in energy exploration. Employment in manufacturing, warehousing, international trade, and professional services are also growing. A number of large companies have relocated their headquarter operations to the area, with more expected in the future. Longer term, above-average population growth and expansion in energy, healthcare, and distribution industries is expected to propel above-average population gains for the metro area.

According to *American City Business Journals*, Houston was the fastest growing city in the nation in the 20th century. Further, 23 fortune 500 companies are headquartered in Houston, second only to New York. The top employers in the AA are Memorial Hermann Healthcare System, University of Texas Cancer Center, Exxon/Mobile, Shell Oil, Kroger, Fluor Corporation, and Methodist Sugarland Hospital.

Housing

Based on the 2000 Census, the median housing value in the Houston AA was \$100,617. Per the 2010 census, despite the nationwide slump in housing, the median housing value in

Houston has increased to a still relatively affordable \$157,714. Further, as of May 2012, we note that CoreLogic estimated that the Houston MSA experienced a 3.5 percent year over year appreciation rate. Of the nation's 10 largest metropolitan areas, CoreLogic estimated Houston's appreciation rate to be the second strongest.

The Houston metropolitan area has a 3.1 percent foreclosure rate, as reported by foreclosure-response.org. This is relatively low, ranking 310th out of 366 metropolitan areas within the United States.

There are limited opportunities for residential mortgage lending in low-income census tracts. Per the 2010 census, only 5.5 percent of owner-occupied units were located in low-income census tracts, which is only slightly higher than the 3.7 percent reported by the 2000 census. In addition, in low-income census tracts, 59.4 percent of occupied housing units are rentals, and 19.4 percent of housing units are vacant. Thus, opportunities for residential mortgage lending in low-income census tracts are limited in relation to the opportunities in moderate-, middle-, and upper-income census tracts.

Also, the percentage of vacant homes, which are disproportionately located in low-income census tracts, has increased as noted by the two most recent censuses. The vacancy percentage increased from 7.1 percent in 2000 to 11.6 percent in 2010.

Community Contacts

Three community contacts were considered as part of this performance evaluation. Consumer financial education, affordable housing in general, and more specifically funds for single-family housing repair were cited as needs by the organizations contacted.

Appendix D: Tables of Performance Data

Content of Standardized Tables

A separate set of tables is provided for each state. All multistate metropolitan areas are presented in one set of tables. References to the “bank” include activities of any affiliates that the bank provided for consideration (refer to appendix A: Scope of the Examination). For purposes of reviewing the lending test tables, the following are applicable: (1) purchased loans are treated as originations/purchases and market share is the number of loans originated and purchased by the bank as a percentage of the aggregate number of reportable loans originated and purchased by all lenders in the MA/assessment area; (2) Partially geocoded loans (loans where no census tract is provided) cannot be broken down by income geographies and, therefore, are only reflected in the Total Loans in Core Tables 2 through 7 and part of Table 13; and (3) Partially geocoded loans are included in the Total Loans and % Bank Loans Column in Core Tables 8 through 12 and part of Table 13. Deposit data are compiled by the FDIC and are available as of June 30th of each year. Tables without data are not included in this PE.

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

- Table 1. Lending Volume** - Presents the number and dollar amount of reportable loans originated and purchased by the bank over the evaluation period by MA/assessment area. Community development loans to statewide or regional entities or made outside the bank’s assessment area may receive positive CRA consideration. See Interagency Q&As __.12 (i) - 5 and - 6 for guidance on when a bank may receive positive CRA consideration for such loans. Refer to the CRA section of the Compliance Policy intranet page for guidance on table placement.
- Table 1. Other Products** - Presents the number and dollar amount of any unreported category of loans originated and purchased by the bank, if applicable, over the evaluation period by MA/assessment area. Examples include consumer loans or other data that a bank may provide, at its option, concerning its lending performance. This is a two-page table that lists specific categories.
- Table 2. Geographic Distribution of Home Purchase Loans** - Compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of owner-occupied housing units throughout those geographies. The table also presents market share information based on the most recent aggregate market data available.
- Table 3. Geographic Distribution of Home Improvement Loans** - See Table 2.
- Table 4. Geographic Distribution of Home Mortgage Refinance Loans** - See Table 2.

- Table 5. Geographic Distribution of Multifamily Loans** - Compares the percentage distribution of the number of multifamily loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of multifamily housing units throughout those geographies. The table also presents market share information based on the most recent aggregate market data available.
- Table 6. Geographic Distribution of Small Loans to Businesses** - The percentage distribution of the number of small loans (less than or equal to \$1 million) to businesses originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of businesses (regardless of revenue size) throughout those geographies. The table also presents market share information based on the most recent aggregate market data available. Because small business data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank's assessment area.
- Table 7. Geographic Distribution of Small Loans to Farms** - The percentage distribution of the number of small loans (less than or equal to \$500,000) to farms originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of farms (regardless of revenue size) throughout those geographies. The table also presents market share information based on the most recent aggregate market data available. Because small farm data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank's assessment area.
- Table 8. Borrower Distribution of Home Purchase Loans** - Compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage distribution of families by income level in each MA/assessment area. The table also presents market share information based on the most recent aggregate market data available.
- Table 9. Borrower Distribution of Home Improvement Loans** - See Table 8.
- Table 10. Borrower Distribution of Refinance Loans** - See Table 8.
- Table 11. Borrower Distribution of Small Loans to Businesses** - Compares the percentage distribution of the number of small loans (less than or equal to \$1 million) originated and purchased by the bank to businesses with revenues of \$1 million or less to the percentage distribution of businesses with revenues of \$1 million or less. In addition, the table presents the percentage distribution of the number of loans originated and purchased by the bank by loan size, regardless of the revenue size of the business. Market share information is presented based on the most recent aggregate market data available.

Table 12. Borrower Distribution of Small Loans to Farms - Compares the percentage distribution of the number of small loans (less than or equal to \$500,000) originated and purchased by the bank to farms with revenues of \$1 million or less to the percentage distribution of farms with revenues of \$1 million or less. In addition, the table presents the percentage distribution of the number of loans originated and purchased by the bank by loan size, regardless of the revenue size of the farm. Market share information is presented based on the most recent aggregate market data available.

Table 13. Geographic and Borrower Distribution of Consumer Loans (OPTIONAL) - For geographic distribution, the table compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of households within each geography. For borrower distribution, the table compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage of households by income level in each MA/assessment area.

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

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

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

Table 1. Lending Volume

LENDING VOLUME		Geography: MEMPHIS MMSA						Evaluation Period: JANUARY 1, 2010 TO DECEMBER 31, 2011				
Assessment Area:	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$(000's)	
Full Review:												
Memphis MMSA	100.00	702	103,481	436	49,020	21	2,939	1	355	1,160	155,795	100.00

* Loan Data as of December 31, 2011. Rated area refers to either state or multi-state MA rating area.

** The evaluation period for Community Development Loans is from April 12, 2010 to December 31, 2012.

*** Deposit Data as of June 30, 2012. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

Table 2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE			Geography: MEMPHIS MMSA				Evaluation Period: JANUARY 1, 2010 TO DECEMBER 31, 2011					Market Share (%) by Geography*				
Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans****						
Full Review:																
Memphis MMSA	245	100.00	5.82	0.41	20.82	2.45	28.58	33.88	44.78	63.27	0.82	0.00	0.54	1.43	0.67	

* Based on 2011 Peer Mortgage Data (USPR)

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

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

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

Table 3. Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT			Geography: MEMPHIS MMSA				Evaluation Period: JANUARY 1, 2010 TO DECEMBER 31, 2011					Market Share (%) by Geography*				
Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% Owner Occ Units***	% BANK Loans***	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans****						
Full Review:																
Memphis MMSA	78	100.00	5.82	0.00	20.82	5.13	28.58	43.59	44.78	51.28	5.96	0.00	1.30	10.61	5.00	

* Based on 2011 Peer Mortgage Data (USPR)

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

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

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

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE			Geography: MEMPHIS MMSA				Evaluation Period: JANUARY 1, 2010 TO DECEMBER 31, 2011					Market Share (%) by Geography*				
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% Owner Occ Units***	% BANK Loans***	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans****						
Full Review:																
Memphis MMSA	378	100.0	5.82	0.53	20.82	1.85	28.58	26.19	44.78	71.43	1.07	0.00	0.59	1.65	0.97	

* Based on 2011 Peer Mortgage Data (USPR)

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

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

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

Table 5. Geographic Distribution of Multifamily Loans

Geographic Distribution: MULTIFAMILY			Geography: MEMPHIS MMSA				Evaluation Period: JANUARY 1, 2010 TO DECEMBER 31, 2011					Market Share (%) by Geography*				
Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% of MF Units***	% BANK Loans****	% MF Units***	% BANK Loans****	% MF Units***	% BANK Loans****	% MF Units***	% BANK Loans****						
Full Review:																
Memphis MMSA	1	100.00	14.57	0.00	29.75	0.00	30.37	100.00	25.32	0.00	0.00	0.00	0.00	0.00	0.00	

* Based on 2011 Peer Mortgage Data (USPR)

** Multi-family loans originated and purchased in the MA/AA as a percentage of all multi-family loans originated and purchased in the rated area.

*** Percentage of Multi Family Units is the number of multi family units in a particular geography divided by the number of multifamily housing units in the area based on 2000 Census information.

**** Multifamily loan distribution includes Home Purchases, Home Improvement and Refinances.

Table 6. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES												Geography: MEMPHIS MMSA					Evaluation Period: JANUARY 1, 2010 TO DECEMBER 31, 2011				
Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography										
	#	% of Total**	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	Overall	Low	Mod	Mid	Upp						
Full Review:																					
Memphis MMSA	435	100.00	6.95	2.30	15.74	6.44	24.79	50.57	52.20	40.69	1.07	0.45	0.79	1.56	1.07						

* Based on 2011 Peer Small Business Data -- US and PR

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

*** Source Data - Dun and Bradstreet (2011).

Table 7. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL LOANS TO FARMS			Geography: MEMPHIS MMSA				Evaluation Period: JANUARY 1, 2010 TO DECEMBER 31, 2011					Market Share (%) by Geography				
Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans						
Full Review:																
Memphis MMSA	21	100.00	3.69	0.00	13.44	0.00	25.73	61.90	56.86	38.10	20.00	0.00	0.00	46.67	9.09	

* Based on 2011 Peer Small Business Data -- US and PR

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

*** Source Data - Dun and Bradstreet (2011).

Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE			Geography: MEMPHIS MMSA				Evaluation Period: JANUARY 1, 2010 TO DECEMBER 31, 2011					Market Share*				
Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****						
Full Review:																
Memphis MMSA	245	100.00	21.91	13.48	16.18	31.46	19.37	24.16	42.54	30.90	0.68	0.59	0.87	0.89	0.47	

* Based on 2011 Peer Mortgage Data (USPR)

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

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

**** As a percentage of loans with borrower income information available. No information was available for 27.3% of loans originated and purchased by bank.

Table 9. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT		Geography: MEMPHIS MMSA						Evaluation Period: JANUARY 1, 2010 TO DECEMBER 31, 2011							
Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share*				
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Overall	Low	Mod	Mid	Upp
Full Review:															
Memphis MMSA	78	100.00	21.91	18.03	16.18	31.15	19.37	19.67	42.54	31.15	5.14	9.86	7.14	3.80	3.75

* Based on 2011 Peer Mortgage Data (USPR)

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

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

**** As a percentage of loans with borrower income information available. No information was available for 21.8% of loans originated and purchased by bank.

Table 10. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE			Geography: MEMPHIS MMSA				Evaluation Period: JANUARY 1, 2010 TO DECEMBER 31, 2011					Market Share*				
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****						
Full Review:																
Memphis MMSA	378	100.00	21.91	4.40	16.18	15.41	19.37	18.87	42.54	61.32	1.18	1.51	1.41	1.31	1.07	

* Based on 2011 Peer Mortgage Data (USPR)

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

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

**** As a percentage of loans with borrower income information available. No information was available for 15.9% of loans originated and purchased by bank.

Table 11. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES		Geography: MEMPHIS MMSA			Evaluation Period: JANUARY 1, 2010 TO DECEMBER 31, 2011				
Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Market Share	
	#	% of Total**	% of Businesses***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev \$1 Million or Less
Full Review:									
Memphis MMSA	436	100.00	67.03	24.54	74.77	12.39	12.84	1.07	0.97

* Based on 2011 Peer Small Business Data -- US and PR

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

*** Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B - 2011).

**** Small loans to businesses with revenues of \$1 million or less as a percentage of all loans reported as small loans to businesses. No information was available for 18.58% of small loans to businesses originated and purchased by the bank.

Table 12. Borrower Distribution of Small Loans to Farms

Borrower Distribution: SMALL LOANS TO FARMS		Geography: MEMPHIS MMSA		Evaluation Period: JANUARY 1, 2010 TO DECEMBER 31, 2011					
Assessment Area:	Total Small Loans to Farms		Farms With Revenues of \$1 million or less		Loans by Original Amount Regardless of Farm Size			Market Share	
	#	% of Total**	% of Farms***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$500,000	All	Rev \$1 Million or Less
Full Review:									
Memphis MMSA	21	100.00	95.59	90.48	61.90	23.81	14.29	20.00	24.32

* Based on 2011 Peer Small Business Data -- US and PR

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

*** Farms with revenues of \$1 million or less as a percentage of all farms (Source D&B - 2011).

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

Table 14. Qualified Investments

QUALIFIED INVESTMENTS		Geography: MEMPHIS MMSA				Evaluation Period: APRIL 12, 2010 TO DECEMBER 31, 2012			
Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
Full Review:									
Memphis MMSA	0	0	70	11,725	70	11,725	100.00	0	0

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

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

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

DISTRIBUTION OF BRANCH DELIVERY SYSTEM & BRANCH OPENINGS/CLOSINGS Geography: MEMPHIS MMSA Evaluation Period: APRIL 12, 2010 TO DECEMBER 31, 2012																	
Assessment Area:	Deposits	Branches						Branch Openings/Closings				Population					
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Full Review:																	
Memphis MMSA	100.00	17	100.00	0.00	11.76	47.06	41.18	0	1	0	0	-1	0	9.78	25.58	28.36	35.81

Table 1. Lending Volume

LENDING VOLUME		Geography: MISSISSIPPI						Evaluation Period: JANUARY 1, 2010 TO DECEMBER 31, 2011				
Assessment Area:	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	
Full Review:												
Jackson MSA	55.38	6,814	1,105,648	2,812	394,327	319	18,275	29	56,109	9,974	1,574,359	61.09
MS East non-MSA areas	6.34	749	98,178	341	39,927	45	2,540	6	6,510	1,141	147,155	8.76
Limited Review:												
Gulfport-Biloxi MSA	4.01	627	95,199	83	13,187	1	65	12	20,294	723	128,745	0.40
Hattiesburg MSA	6.92	659	92,052	555	63,078	27	2,463	5	11,249	1,246	168,842	4.49
MS Central non-MSA areas	5.11	427	43,234	375	26,315	114	4,630	5	25,675	921	99,854	4.18
MS North non-MSA areas	7.13	927	128,604	330	24,872	21	1,807	6	7,293	1,284	162,576	5.39
MS Southwest non-MSA areas	8.96	640	77,008	783	68,172	179	10,499	12	11,279	1,614	166,958	8.42
MS West non-MSA areas	6.15	523	62,988	522	40,651	49	4,949	14	8,488	1,108	117,076	7.28

* Loan Data as of December 31, 2011. Rated area refers to either state or multi-state MA rating area.

** The evaluation period for Community Development Loans is from April 12, 2010 to December 31, 2012.

*** Deposit Data as of June 30, 2011. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

Table 2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE			Geography: MISSISSIPPI				Evaluation Period: JANUARY 1, 2010 TO DECEMBER 31, 2011					Market Share (%) by Geography*				
Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% Owner Occ Units***	% BANK Loans***	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans****						
Full Review:																
Jackson MSA	2,672	59.83	3.86	0.26	22.94	5.80	37.76	37.65	35.43	56.29	19.06	8.33	14.07	18.15	20.40	
MS East non-MSA areas	278	6.22	2.29	0.00	11.41	6.47	60.26	53.60	26.04	39.93	7.08	0.00	5.50	7.06	7.40	
Limited Review:																
Gulfport-Biloxi MSA	339	7.59	0.00	0.00	10.96	5.01	71.94	76.70	17.10	18.29	7.35	0.00	4.12	7.33	8.44	
Hattiesburg MSA	279	6.25	3.42	1.08	13.33	7.17	49.31	34.41	33.94	57.35	8.04	14.29	9.62	6.20	9.32	
MS Central non-MSA areas	161	3.61	0.00	0.00	6.12	7.45	73.45	57.76	20.43	34.78	11.62	0.00	17.50	10.37	13.20	
MS North non-MSA areas	311	6.96	0.00	0.00	0.00	0.00	48.04	27.33	51.96	72.67	7.11	0.00	0.00	6.27	7.49	
MS Southwest non-MSA areas	201	4.50	0.00	0.00	14.83	13.93	82.94	83.08	2.23	2.99	10.53	0.00	12.50	10.08	14.71	
MS West non-MSA areas	225	5.04	4.69	2.22	26.98	9.33	30.28	23.56	38.06	64.89	10.06	23.08	13.95	7.26	10.59	

* Based on 2011 Peer Mortgage Data (USPR)

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

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

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

Table 3. Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT			Geography: MISSISSIPPI				Evaluation Period: JANUARY 1, 2010 TO DECEMBER 31, 2011					Market Share (%) by Geography*				
Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% Owner Occ Units***	% BANK Loans***	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans****						
Full Review:																
Jackson MSA	473	48.07	3.86	5.71	22.94	23.47	37.76	38.90	35.43	31.92	25.59	51.85	22.91	28.32	21.91	
MS East non-MSA areas	76	7.72	2.29	2.63	11.41	19.74	60.26	51.32	26.04	26.32	11.94	0.00	24.53	10.20	10.99	
Limited Review:																
Gulfport-Biloxi MSA	19	1.93	0.00	0.00	10.96	5.26	71.94	84.21	17.10	10.53	3.32	0.00	4.76	3.26	2.78	
Hattiesburg MSA	42	4.27	3.42	0.00	13.33	2.38	49.31	47.62	33.94	50.00	8.04	0.00	0.00	7.02	11.90	
MS Central non-MSA areas	84	8.54	0.00	0.00	6.12	2.38	73.45	80.95	20.43	16.67	29.37	0.00	20.00	32.99	16.67	
MS North non-MSA areas	98	9.96	0.00	0.00	0.00	0.00	48.04	56.12	51.96	43.88	16.91	0.00	0.00	20.15	13.89	
MS Southwest non-MSA areas	114	11.59	0.00	0.00	14.83	8.77	82.94	91.23	2.23	0.00	21.72	0.00	8.00	23.59	0.00	
MS West non-MSA areas	78	7.93	4.69	8.97	26.98	20.51	30.28	26.92	38.06	43.59	21.84	31.25	19.61	24.59	19.23	

* Based on 2011 Peer Mortgage Data (USPR)

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

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

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

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE			Geography: MISSISSIPPI				Evaluation Period: JANUARY 1, 2010 TO DECEMBER 31, 2011					Market Share (%) by Geography*				
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% Owner Occ Units***	% BANK Loans***	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans****						
Full Review:																
Jackson MSA	3,665	62.08	3.86	0.41	22.94	4.91	37.76	32.01	35.43	62.67	17.93	20.00	11.09	16.71	19.32	
MS East non-MSA areas	393	6.66	2.29	0.25	11.41	3.31	60.26	45.80	26.04	50.64	7.55	0.00	3.92	6.56	9.65	
Limited Review:																
Gulfport-Biloxi MSA	267	4.52	0.00	0.00	10.96	2.62	71.94	79.03	17.10	18.35	5.85	0.00	6.33	6.46	3.36	
Hattiesburg MSA	337	5.71	3.42	0.00	13.33	4.15	49.31	34.12	33.94	61.72	6.57	0.00	2.63	5.81	7.77	
MS Central non-MSA areas	182	3.08	0.00	0.00	6.12	4.40	73.45	73.08	20.43	22.53	7.84	0.00	9.09	8.26	6.50	
MS North non-MSA areas	517	8.76	0.00	0.00	0.00	0.00	48.04	30.75	51.96	69.25	8.40	0.00	0.00	7.89	8.65	
MS Southwest non-MSA areas	323	5.47	0.00	0.00	14.83	6.81	82.94	89.47	2.23	3.72	11.96	0.00	9.82	11.79	25.81	
MS West non-MSA areas	220	3.73	4.69	0.91	26.98	9.09	30.28	22.27	38.06	67.73	7.63	6.67	6.04	5.80	8.94	

* Based on 2011 Peer Mortgage Data (USPR)

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

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

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

Table 5. Geographic Distribution of Multifamily Loans

Geographic Distribution: MULTIFAMILY		Geography: MISSISSIPPI										Evaluation Period: JANUARY 1, 2010 TO DECEMBER 31, 2011				
Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*					
	#	% of Total**	% of MF Units***	% BANK Loans***	% MF Units***	% BANK Loans****	% MF Units***	% BANK Loans****	% MF Units***	% BANK Loans****	Overall	Low	Mod	Mid	Upp	
Full Review:																
Jackson MSA	4	33.33	10.23	0.00	36.42	0.00	28.08	50.00	25.26	50.00	0.00	0.00	0.00	0.00	0.00	
MS East non-MSA areas	2	16.67	7.99	0.00	17.65	100.00	37.39	0.00	36.98	0.00	2.63	0.00	20.00	0.00	0.00	
Limited Review:																
Gulfport-Biloxi MSA	2	16.67	0.00	0.00	19.80	0.00	60.30	100.00	19.90	0.00	5.56	0.00	0.00	11.11	0.00	
Hattiesburg MSA	1	8.33	12.62	0.00	29.92	100.00	29.62	0.00	27.84	0.00	0.00	0.00	0.00	0.00	0.00	
MS Central non-MSA areas	0	0.00	0.00	0.00	16.73	0.00	45.93	0.00	37.34	0.00	0.00	0.00	0.00	0.00	0.00	
MS North non-MSA areas	1	8.33	0.00	0.00	0.00	0.00	36.02	100.00	63.98	0.00	9.09	0.00	0.00	25.00	0.00	
MS Southwest non-MSA areas	2	16.67	0.00	0.00	32.91	0.00	50.67	0.00	16.42	100.00	50.00	0.00	0.00	0.00	100.00	
MS West non-MSA areas	0	0.00	12.38	0.00	29.55	0.00	18.24	0.00	39.83	0.00	0.00	0.00	0.00	0.00	0.00	

* Based on 2011 Peer Mortgage Data (USPR)

** Multi-family loans originated and purchased in the MA/AA as a percentage of all multi-family loans originated and purchased in the rated area.

*** Percentage of Multi Family Units is the number of multi family units in a particular geography divided by the number of multifamily housing units in the area based on 2000 Census information.

**** Multifamily loan distribution includes Home Purchases, Home Improvement and Refinances.

Table 6. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES				Geography: MISSISSIPPI				Evaluation Period: JANUARY 1, 2010 TO DECEMBER 31, 2011							
Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	Overall	Low	Mod	Mid	Upp
Full Review:															
Jackson MSA	2,812	48.50	6.83	7.18	23.35	19.74	33.85	25.96	35.97	47.12	15.14	18.06	21.15	12.79	15.18
MS East non-MSA areas	341	5.88	6.48	14.37	15.94	21.70	53.07	44.28	24.52	19.65	6.55	11.93	10.42	6.98	3.62
Limited Review:															
Gulfport-Biloxi MSA	80	1.38	0.00	0.00	16.35	6.25	67.28	46.25	14.48	47.50	1.84	0.00	1.14	1.29	4.28
Hattiesburg MSA	555	9.57	5.88	7.57	13.06	8.47	40.72	37.66	40.34	46.31	13.55	17.82	18.62	14.14	12.61
MS Central non-MSA areas	375	6.47	0.00	0.00	13.08	17.33	66.63	52.80	20.29	29.87	20.10	0.00	22.22	18.67	26.70
MS North non-MSA areas	330	5.69	0.00	0.00	0.00	0.00	47.66	65.15	52.34	34.85	5.85	0.00	0.00	10.11	3.37
MS Southwest non-MSA areas	783	13.50	0.00	0.00	15.97	9.71	80.73	85.19	3.31	5.11	18.03	0.00	20.51	18.31	15.00
MS West non-MSA areas	522	9.00	7.94	15.13	30.48	23.95	26.66	19.54	34.92	41.38	13.29	27.21	11.86	11.99	13.80

* Based on 2011 Peer Small Business Data -- US and PR

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

*** Source Data - Dun and Bradstreet (2011).

Table 7. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL LOANS TO FARMS			Geography: MISSISSIPPI				Evaluation Period: JANUARY 1, 2010 TO DECEMBER 31, 2011					Market Share (%) by Geography*				
Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans						
Full Review:																
Jackson MSA	319	42.25	2.21	0.31	17.46	42.63	48.16	46.08	32.17	10.97	47.69	0.00	72.34	43.71	24.14	
MS East non-MSA areas	45	5.96	2.48	0.00	9.60	11.11	64.07	73.33	23.84	15.56	17.46	0.00	12.00	20.15	11.11	
Limited Review:																
Gulfport-Biloxi MSA	1	0.13	0.00	0.00	9.65	0.00	79.62	0.00	10.19	100.00	0.00	0.00	0.00	0.00	0.00	
Hattiesburg MSA	27	3.58	2.19	0.00	9.69	0.00	49.69	77.78	38.44	22.22	15.66	0.00	0.00	18.64	9.09	
MS Central non-MSA areas	114	15.10	0.00	0.00	4.45	0.00	77.73	90.35	17.81	9.65	61.63	0.00	0.00	63.64	50.00	
MS North non-MSA areas	21	2.78	0.00	0.00	0.00	0.00	46.91	80.95	53.09	19.05	13.10	0.00	0.00	15.87	5.00	
MS Southwest non-MSA areas	179	23.71	0.00	0.00	9.77	4.47	89.29	94.41	0.94	1.12	20.54	0.00	18.52	20.49	40.00	
MS West non-MSA areas	49	6.49	2.73	2.04	30.86	16.33	41.22	51.02	25.19	30.61	15.63	100.00	8.89	18.03	21.95	

* Based on 2011 Peer Small Business Data -- US and PR

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

*** Source Data - Dun and Bradstreet (2011).

Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE		Geography: MISSISSIPPI										Evaluation Period: JANUARY 1, 2010 TO DECEMBER 31, 2011				
Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share*					
	#	% of Total**	% Families***	% BANK Loans***	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Overall	Low	Mod	Mid	Upp	
Full Review:																
Jackson MSA	2,672	59.83	23.29	3.74	16.35	17.49	19.29	24.28	41.07	54.50	6.09	2.40	4.15	5.65	8.23	
MS East non-MSA areas	278	6.22	22.63	4.35	14.25	12.42	18.05	21.74	45.07	61.49	4.83	4.88	3.33	4.90	5.15	
Limited Review:																
Gulfport-Biloxi MSA	339	7.59	20.05	14.39	17.48	23.74	22.08	19.42	40.39	42.45	3.47	5.26	2.84	3.41	3.55	
Hattiesburg MSA	279	6.25	23.13	3.79	15.77	15.15	20.95	23.48	40.15	57.58	5.28	1.45	3.24	5.38	6.42	
MS Central non-MSA areas	161	3.61	18.91	6.61	18.05	20.66	21.14	25.62	41.90	47.11	10.28	13.33	12.84	11.27	8.53	
MS North non-MSA areas	311	6.96	16.02	8.05	14.09	15.44	19.36	22.15	50.53	54.36	3.68	4.65	4.42	5.17	2.93	
MS Southwest non-MSA areas	201	4.50	25.83	1.85	17.93	14.81	19.17	21.60	37.07	61.73	9.84	10.00	10.16	7.88	10.71	
MS West non-MSA areas	225	5.04	27.69	2.78	15.61	11.11	16.51	19.44	40.19	66.67	4.48	0.00	1.33	4.02	5.83	

* Based on 2011 Peer Mortgage Data (USPR)

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

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

**** As a percentage of loans with borrower income information available. No information was available for 65.9% of loans originated and purchased by bank.

Table 9. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT		Geography: MISSISSIPPI						Evaluation Period: JANUARY 1, 2010 TO DECEMBER 31, 2011							
Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share*				
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Overall	Low	Mod	Mid	Upp
Full Review:															
Jackson MSA	473	48.07	23.29	26.67	16.35	26.03	19.29	18.41	41.07	28.89	20.64	35.82	22.35	13.33	16.67
MS East non-MSA areas	76	7.72	22.63	11.29	14.25	20.97	18.05	25.81	45.07	41.94	10.62	12.50	13.79	8.79	9.85
Limited Review:															
Gulfport-Biloxi MSA	19	1.93	20.05	0.00	17.48	33.33	22.08	0.00	40.39	66.67	1.78	0.00	2.38	0.00	3.26
Hattiesburg MSA	42	4.27	23.13	5.71	15.77	17.14	20.95	25.71	40.15	51.43	7.00	5.26	12.90	6.82	5.66
MS Central non-MSA areas	84	8.54	18.91	8.96	18.05	22.39	21.14	26.87	41.90	41.79	25.89	33.33	31.58	31.82	21.54
MS North non-MSA areas	98	9.96	16.02	14.61	14.09	15.73	19.36	25.84	50.53	43.82	15.69	37.50	12.50	19.64	11.19
MS Southwest non-MSA areas	114	11.59	25.83	22.35	17.93	14.12	19.17	12.94	37.07	50.59	22.22	29.17	23.53	11.43	23.96
MS West non-MSA areas	78	7.93	27.69	21.82	15.61	14.55	16.51	27.27	40.19	36.36	16.85	44.44	16.67	17.14	11.58

* Based on 2011 Peer Mortgage Data (USPR)

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

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

**** As a percentage of loans with borrower income information available. No information was available for 26.8% of loans originated and purchased by bank.

Table 10. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE			Geography: MISSISSIPPI				Evaluation Period: JANUARY 1, 2010 TO DECEMBER 31, 2011					Market Share*				
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****						
Full Review:																
Jackson MSA	3,665	62.08	23.29	5.35	16.35	11.87	19.29	21.62	41.07	61.16	11.25	16.60	10.91	11.58	10.85	
MS East non-MSA areas	393	6.66	22.63	1.87	14.25	6.72	18.05	14.55	45.07	76.87	6.16	5.17	5.29	7.25	6.06	
Limited Review:																
Gulfport-Biloxi MSA	267	4.52	20.05	4.96	17.48	13.48	22.08	23.40	40.39	58.16	4.27	1.20	4.62	3.77	4.62	
Hattiesburg MSA	337	5.71	23.13	3.50	15.77	12.06	20.95	22.96	40.15	61.48	6.11	4.49	9.88	5.57	5.85	
MS Central non-MSA areas	182	3.08	18.91	1.36	18.05	5.44	21.14	16.33	41.90	76.87	7.02	0.00	3.88	8.33	7.68	
MS North non-MSA areas	517	8.76	16.02	3.93	14.09	12.69	19.36	21.45	50.53	61.93	6.39	8.62	10.27	8.35	5.39	
MS Southwest non-MSA areas	323	5.47	25.83	2.27	17.93	6.82	19.17	17.05	37.07	73.86	11.82	7.27	7.87	11.66	12.93	
MS West non-MSA areas	220	3.73	27.69	2.55	15.61	4.46	16.51	13.38	40.19	79.62	6.65	6.45	2.33	7.45	6.98	

* Based on 2011 Peer Mortgage Data (USPR)

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

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

**** As a percentage of loans with borrower income information available. No information was available for 44.7% of loans originated and purchased by bank.

Table 11. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES		Geography: MISSISSIPPI			Evaluation Period: JANUARY 1, 2010 TO DECEMBER 31, 2011				
Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Market Share*	
	#	% of Total**	% of Businesses***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev \$1 Million or Less
Full Review:									
Jackson MSA	2,812	48.47	68.12	52.13	68.67	15.65	15.68	15.14	18.27
MS East non-MSA areas	341	5.88	71.28	47.80	72.73	16.72	10.56	6.55	6.81
Limited Review:									
Gulfport-Biloxi MSA	83	1.43	67.75	26.51	56.63	28.92	14.46	1.84	1.10
Hattiesburg MSA	555	9.57	69.67	50.81	77.30	9.91	12.79	13.55	15.11
MS Central non-MSA areas	375	6.46	71.74	67.47	87.73	6.13	6.13	20.10	33.14
MS North non-MSA areas	330	5.69	70.67	67.27	84.55	7.27	8.18	5.85	7.86
MS Southwest non-MSA areas	783	13.50	73.57	56.70	79.31	13.03	7.66	18.03	20.37
MS West non-MSA areas	522	9.00	66.97	59.39	81.61	11.88	6.51	13.29	17.63

* Based on 2011 Peer Small Business Data -- US and PR

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

*** Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B - 2011).

**** Small loans to businesses with revenues of \$1 million or less as a percentage of all loans reported as small loans to businesses. No information was available for 13.81% of small loans to businesses originated and purchased by the bank.

Table 12. Borrower Distribution of Small Loans to Farms

Borrower Distribution: SMALL LOANS TO FARMS			Geography: MISSISSIPPI		Evaluation Period: JANUARY 1, 2010 TO DECEMBER 31, 2011				
Assessment Area:	Total Small Loans to Farms		Farms With Revenues of \$1 million or less		Loans by Original Amount Regardless of Farm Size			Market Share*	
	#	% of Total**	% of Farms***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$500,000	All	Rev \$1 Million or Less
Full Review:									
Jackson MSA	319	42.25	97.53	88.40	88.40	5.64	5.96	47.69	49.43
MS East non-MSA areas	45	5.96	96.85	37.78	91.11	4.44	4.44	17.46	5.76
Limited Review:									
Gulfport-Biloxi MSA	1	0.13	96.78	100.00	100.00	0.00	0.00	0.00	0.00
Hattiesburg MSA	27	3.58	96.88	66.67	81.48	7.41	11.11	15.66	14.29
MS Central non-MSA areas	114	15.10	97.17	83.33	92.11	7.02	0.88	61.63	60.00
MS North non-MSA areas	21	2.78	96.05	71.43	76.19	19.05	4.76	13.10	11.27
MS Southwest non-MSA areas	179	23.71	97.18	84.36	86.03	10.61	3.35	20.54	19.07
MS West non-MSA areas	49	6.49	93.89	57.14	77.55	10.20	12.24	15.63	17.39

* Based on 2011 Peer Small Business Data -- US and PR

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

*** Farms with revenues of \$1 million or less as a percentage of all farms (Source D&B - 2011).

**** Small loans to farms with revenues of \$1 million or less as a percentage of all loans reported as small loans to farms. No information was available for 7.55% of small loans to farms originated and purchased by the bank.

Table 14. Qualified Investments

QUALIFIED INVESTMENTS		Geography: MISSISSIPPI				Evaluation Period: APRIL 12, 2010 TO DECEMBER 31, 2012			
Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
Full Review:									
Jackson MSA	17	1,004	261	23,161	278	24,165	50.78	0	0
MS East non-MSA areas	2	150	38	3,973	40	4,123	8.66	0	0
Limited Review:									
Gulfport-Biloxi MSA	7	3,168	17	419	24	3,587	7.54	0	0
Hattiesburg MSA	3	2,031	41	8,101	44	10,132	21.29	0	0
MS Central non-MSA areas	1	33	44	64	45	97	0.20	0	0
MS North non-MSA areas	0	0	17	286	17	286	0.60	0	0
MS Southwest non-MSA areas	1	38	96	3,137	97	3,175	6.67	0	0
MS West non-MSA areas	5	1,669	144	77	149	1,746	3.67	0	0
MS Statewide	4	199	1	74	5	273	0.57	0	0

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

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

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

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS Geography: MISSISSIPPI Evaluation Period: APRIL 12, 2010 TO DECEMBER 31, 2012																	
Assessment Area:	Deposits	Branches						Branch Openings/Closings						Population			
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Full Review:																	
Jackson MSA	60.75	50	41.32	10.00	28.00	26.00	34.00	0	0	0	0	0	0	10.17	18.67	41.66	29.50
MS East non-MSA areas	8.44	16	13.22	6.25	12.50	56.25	25.00	2	0	0	0	1	1	4.68	10.17	49.54	35.61
Limited Review:																	
Gulfport-Biloxi MSA	0.43	2	1.65	0.00	0.00	50.00	50.00	0	0	0	0	0	0	2.60	16.39	57.81	23.15
Hattiesburg MSA	4.93	9	7.44	11.11	55.56	22.22	11.11	0	0	0	0	0	0	10.03	22.48	34.13	33.37
MS Central non-MSA areas	4.17	10	8.26	0.00	20.00	60.00	20.00	0	0	0	0	0	0	0.00	12.82	54.25	32.92
MS North non-MSA areas	5.47	9	7.44	0.00	11.11	66.67	22.22	0	0	0	0	0	0	0.00	4.59	46.88	48.52
MS Southwest non-MSA areas	8.50	12	9.92	0.00	16.67	66.67	16.67	0	0	0	0	0	0	4.16	13.72	63.42	18.70
MS West non-MSA areas	7.31	13	10.74	23.08	38.46	7.69	30.77	0	0	0	0	0	0	17.02	27.89	19.48	35.61

Table 1. Lending Volume

LENDING VOLUME		Geography: FLORIDA						Evaluation Period: JANUARY 1, 2010 TO DECEMBER 31, 2011				
Assessment Area:	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	
Full Review:												
Panama City-Lynn Haven-Panama City Beach MSA	70.67	415	62,423	144	32,413	0	0	2	50	561	94,886	48.44
Limited Review:												
Crestview-Fort Walton Beach-Destin MSA	15.04	33	8,371	86	13,473	0	0	0	0	119	21,844	23.67
FL non-MSA area	14.29	54	26,588	59	7,152	0	0	0	0	113	33,740	27.88

* Loan Data as of December 31, 2011. Rated area refers to either state or multi-state MA rating area.

** The evaluation period for Community Development Loans is from April 12, 2010 to December 31, 2012.

*** Deposit Data as of June 30, 2011. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

Table 2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE			Geography: FLORIDA				Evaluation Period: JANUARY 1, 2010 TO DECEMBER 31, 2011					Market Share (%) by Geography*				
Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans****						
Full Review:																
Panama City-Lynn Haven-Panama City Beach MSA	309	90.35	1.02	0.97	19.70	14.56	56.31	62.46	22.98	22.01	5.96	20.00	10.09	5.24	7.09	
Limited Review:																
Crestview-Fort Walton Beach-Destin MSA	11	3.22	0.00	0.00	2.01	0.00	76.43	45.45	21.56	54.55	0.31	0.00	0.00	0.19	0.55	
FL non-MSA area	22	6.43	0.00	0.00	0.00	0.00	73.31	0.00	26.69	100.00	0.86	0.00	0.00	0.00	1.12	

* Based on 2011 Peer Mortgage Data (USPR)

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

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

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

Table 3. Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT			Geography: FLORIDA				Evaluation Period: JANUARY 1, 2010 TO DECEMBER 31, 2011					Market Share (%) by Geography*				
Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans****						
Full Review:																
Panama City-Lynn Haven-Panama City Beach MSA	8	88.89	1.02	0.00	19.70	12.50	56.31	62.50	22.98	25.00	1.11	0.00	0.00	1.85	0.00	
Limited Review:																
Crestview-Fort Walton Beach-Destin MSA	0	0.00	0.00	0.00	2.01	0.00	76.43	0.00	21.56	0.00	0.00	0.00	0.00	0.00	0.00	
FL non-MSA area	1	11.11	0.00	0.00	0.00	0.00	73.31	0.00	26.69	100.00	3.03	0.00	0.00	0.00	7.69	

* Based on 2011 Peer Mortgage Data (USPR)

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

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

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

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE			Geography: FLORIDA				Evaluation Period: JANUARY 1, 2010 TO DECEMBER 31, 2011					Market Share (%) by Geography*				
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans****						
Full Review:																
Panama City-Lynn Haven-Panama City Beach MSA	95	65.07	1.02	0.00	19.70	10.53	56.31	74.74	22.98	14.74	2.56	0.00	2.33	3.04	1.37	
Limited Review:																
Crestview-Fort Walton Beach-Destin MSA	21	14.38	0.00	0.00	2.01	0.00	76.43	42.86	21.56	57.14	0.90	0.00	0.00	0.55	1.68	
FL non-MSA area	30	20.55	0.00	0.00	0.00	0.00	73.31	3.33	26.69	96.67	0.97	0.00	0.00	0.40	1.19	

* Based on 2011 Peer Mortgage Data (USPR)

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

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

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

Table 5. Geographic Distribution of Multifamily Loans

Geographic Distribution: MULTIFAMILY			Geography: FLORIDA				Evaluation Period: JANUARY 1, 2010 TO DECEMBER 31, 2011					Market Share (%) by Geography*				
Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% of MF Units***	% BANK Loans***	% MF Units***	% BANK Loans****	% MF Units***	% BANK Loans****	% MF Units***	% BANK Loans****						
Full Review:																
Panama City-Lynn Haven-Panama City Beach MSA	3	60.00	0.71	0.00	15.38	0.00	75.63	100.00	8.27	0.00	20.00	0.00	0.00	33.33	0.00	
Limited Review:																
Crestview-Fort Walton Beach-Destin MSA	1	20.00	0.00	0.00	4.19	0.00	84.38	100.00	11.43	0.00	0.00	0.00	0.00	0.00	0.00	
FL non-MSA area	1	20.00	0.00	0.00	0.00	0.00	3.87	100.00	96.13	0.00	0.00	0.00	0.00	0.00	0.00	

* Based on 2011 Peer Mortgage Data (USPR)

** Multi-family loans originated and purchased in the MA/AA as a percentage of all multi-family loans originated and purchased in the rated area.

*** Percentage of Multi Family Units is the number of multi family units in a particular geography divided by the number of multifamily housing units in the area based on 2000 Census information.

**** Multifamily loan distribution includes Home Purchases, Home Improvement and Refinances.

Table 6. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES			Geography: FLORIDA				Evaluation Period: JANUARY 1, 2010 TO DECEMBER 31, 2011					Market Share (%) by Geography				
Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans						
Full Review:																
Panama City-Lynn Haven-Panama City Beach MSA	144	49.83	0.63	0.69	22.57	15.97	54.62	75.00	22.17	8.33	2.24	10.00	1.74	3.03	0.96	
Limited Review:																
Crestview-Fort Walton Beach-Destin MSA	86	29.76	0.00	0.00	5.32	3.49	65.05	41.86	29.63	54.65	1.64	0.00	0.93	1.23	2.98	
FL non-MSA area	59	20.42	0.00	0.00	0.00	0.00	36.18	8.47	63.82	91.53	1.94	0.00	0.00	0.23	2.68	

* Based on 2011 Peer Small Business Data -- US and PR

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

*** Source Data - Dun and Bradstreet (2011).

Table 7. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL LOANS TO FARMS			Geography: FLORIDA				Evaluation Period: JANUARY 1, 2010 TO DECEMBER 31, 2011					Market Share (%) by Geography				
Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans						
Full Review:																
Panama City-Lynn Haven-Panama City Beach MSA	0	0.00	0.37	0.00	22.82	0.00	54.17	0.00	22.63	0.00	0.00	0.00	0.00	0.00	0.00	
Limited Review:																
Crestview-Fort Walton Beach-Destin MSA	0	0.00	0.00	0.00	3.56	0.00	73.67	0.00	22.78	0.00	0.00	0.00	0.00	0.00	0.00	
FL non-MSA area	0	0.00	0.00	0.00	0.00	0.00	64.85	0.00	35.15	0.00	0.00	0.00	0.00	0.00	0.00	

* Based on 2011 Peer Small Business Data -- US and PR

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

*** Source Data - Dun and Bradstreet (2011).

Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE		Geography: FLORIDA					Evaluation Period: JANUARY 1, 2010 TO DECEMBER 31, 2011					Market Share*				
Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers							
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Overall	Low	Mod	Mid	Upp	
Full Review:																
Panama City-Lynn Haven-Panama City Beach MSA	309	90.35	19.46	16.34	18.07	30.07	22.04	27.45	40.43	26.14	7.00	18.57	10.20	6.91	4.39	
Limited Review:																
Crestview-Fort Walton Beach-Destin MSA	11	3.22	16.11	0.00	21.00	10.00	24.48	30.00	38.41	60.00	0.36	0.00	0.34	0.32	0.44	
FL non-MSA area	22	6.43	19.21	0.00	18.37	4.76	20.95	0.00	41.47	95.24	0.91	0.00	0.89	0.00	1.07	

* Based on 2011 Peer Mortgage Data (USPR)

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

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

**** As a percentage of loans with borrower income information available. No information was available for 1.5% of loans originated and purchased by bank.

Table 9. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT		Geography: FLORIDA					Evaluation Period: JANUARY 1, 2010 TO DECEMBER 31, 2011					Market Share				
Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****						
Full Review:																
Panama City-Lynn Haven-Panama City Beach MSA	8	88.89	19.46	0.00	18.07	0.00	22.04	62.50	40.43	37.50	1.15	0.00	0.00	0.00	3.03	
Limited Review:																
Crestview-Fort Walton Beach-Destin MSA	0	0.00	16.11	0.00	21.00	0.00	24.48	0.00	38.41	0.00	0.00	0.00	0.00	0.00	0.00	
FL non-MSA area	1	11.11	19.21	0.00	18.37	100.00	20.95	0.00	41.47	0.00	3.13	0.00	20.00	0.00	0.00	

* Based on 2011 Peer Mortgage Data (USPR)

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

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

**** As a percentage of loans with borrower income information available. No information was available for 0.0% of loans originated and purchased by bank.

Table 10. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE		Geography: FLORIDA				Evaluation Period: JANUARY 1, 2010 TO DECEMBER 31, 2011					Market Share*				
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Overall	Low	Mod	Mid	Upp
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****					
Full Review:															
Panama City-Lynn Haven-Panama City Beach MSA	95	65.07	19.46	13.56	18.07	10.17	22.04	25.42	40.43	50.85	1.99	2.67	2.05	1.63	2.05
Limited Review:															
Crestview-Fort Walton Beach-Destin MSA	21	14.38	16.11	0.00	21.00	14.29	24.48	21.43	38.41	64.29	0.98	0.00	1.55	1.02	0.96
FL non-MSA area	30	20.55	19.21	0.00	18.37	0.00	20.95	10.53	41.47	89.47	0.84	0.00	0.00	0.00	1.02

* Based on 2011 Peer Mortgage Data (USPR)

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

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

**** As a percentage of loans with borrower income information available. No information was available for 37.0% of loans originated and purchased by bank.

Table 11. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES			Geography: FLORIDA		Evaluation Period: JANUARY 1, 2010 TO DECEMBER 31, 2011				
Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Market Share	
	#	% of Total**	% of Businesses***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev \$1 Million or Less
Full Review:									
Panama City-Lynn Haven-Panama City Beach MSA	144	49.83	68.94	45.14	48.61	22.92	28.47	2.24	2.99
Limited Review:									
Crestview-Fort Walton Beach-Destin MSA	86	29.76	71.01	53.49	59.30	19.77	20.93	1.64	2.14
FL non-MSA area	59	20.42	71.19	47.46	74.58	13.56	11.86	1.94	2.04

* Based on 2011 Peer Small Business Data -- US and PR

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

*** Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B - 2011).

**** Small loans to businesses with revenues of \$1 million or less as a percentage of all loans reported as small loans to businesses. No information was available for 31.49% of small loans to businesses originated and purchased by the bank.

Table 12. Borrower Distribution of Small Loans to Farms

Borrower Distribution: SMALL LOANS TO FARMS			Geography: FLORIDA		Evaluation Period: JANUARY 1, 2010 TO DECEMBER 31, 2011				
Assessment Area:	Total Small Loans to Farms		Farms With Revenues of \$1 million or less		Loans by Original Amount Regardless of Farm Size			Market Share*	
	#	% of Total**	% of Farms***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$500,000	All	Rev \$1 Million or Less
Full Review:									
Panama City-Lynn Haven-Panama City Beach MSA	0	0.00	98.89	0.00	0.00	0.00	0.00	0.00	0.00
Limited Review:									
Crestview-Fort Walton Beach-Destin MSA	0	0.00	96.80	0.00	0.00	0.00	0.00	0.00	0.00
FL non-MSA area	0	0.00	96.25	0.00	0.00	0.00	0.00	0.00	0.00

* Based on 2011 Peer Small Business Data -- US and PR

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

*** Farms with revenues of \$1 million or less as a percentage of all farms (Source D&B - 2011).

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

Table 14. Qualified Investments

QUALIFIED INVESTMENTS									
Geography: FLORIDA					Evaluation Period: APRIL12, 2010 TO DECEMBER 31, 2012				
Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
Full Review:									
Panama City-Lynn Haven-Panama City Beach MSA	0	0	46	4,065	46	4,065	69.12	0	0
Limited Review:									
Crestview-Fort Walton Beach-Destin MSA	0	0	13	1,812	13	1,812	30.81	0	0
FL non-MSA area	0	0	2	4	2	4	0.07	0	0

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

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

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

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS																	
Geography: FLORIDA																	
Evaluation Period: APRIL 12, 2010 TO DECEMBER 31, 2012																	
Assessment Area:	Deposits	Branches						Branch Openings/Closings						Population			
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Full Review:																	
Panama City-Lynn Haven-Panama City Beach MSA	48.44	9	0.00	0.00	11.11	66.66	22.22	6	1	0	0	5	0	1.13	25.20	53.34	20.32
Limited Review:																	
Crestview-Fort Walton Beach-Destin MSA	23.67	1	0.00	0.00	0.00	0.00	100.00	0	0	0	0	0	0	0.00	12.14	71.49	16.37
FL non-MSA area	27.88	3	0.00	0.00	0.00	0.00	100.00	0	0	0	0	0	0	0.00	0.00	76.02	23.98

Table 1. Lending Volume

LENDING VOLUME		Geography: TEXAS						Evaluation Period: JANUARY 1, 2010 TO DECEMBER 31, 2011				
Assessment Area:	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	
Full Review:												
Houston-Sugar Land-Baytown MSA	100.00	230	61,881	736	147,215	3	270	2	27	971	209,393	100.00

* Loan Data as of December 31, 2011. Rated area refers to either state or multi-state MA rating area.

** The evaluation period for Community Development Loans is from April 12, 2010 to December 31, 2012.

*** Deposit Data as of June 30, 2012. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

Table 2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE			Geography: TEXAS				Evaluation Period: JANUARY 1, 2010 TO DECEMBER 31, 2011					Market Share (%) by Geography*				
Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans****						
Full Review:																
Houston-Sugar Land-Baytown MSA	121	100.00	3.69	0.83	24.76	7.44	29.88	24.79	41.67	66.94	0.12	0.09	0.08	0.09	0.15	

* Based on 2011 Peer Mortgage Data (USPR)

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

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

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

Table 3. Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT			Geography: TEXAS				Evaluation Period: JANUARY 1, 2010 TO DECEMBER 31, 2011					Market Share (%) by Geography*				
Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans****						
Full Review:																
Houston-Sugar Land-Baytown MSA	14	100.00	3.69	0.00	24.76	7.14	29.88	35.71	41.67	57.14	0.15	0.00	0.00	0.00	0.27	

* Based on 2011 Peer Mortgage Data (USPR)

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

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

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

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE			Geography: TEXAS				Evaluation Period: JANUARY 1, 2010 TO DECEMBER 31, 2011					Market Share (%) by Geography*				
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% Owner Occ Units***	% BANK Loans***	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans****						
Full Review:																
Houston-Sugar Land-Baytown MSA	95	100.00	3.69	0.00	24.76	10.53	29.88	12.63	41.67	76.84	0.09	0.00	0.07	0.04	0.12	

* Based on 2011 Peer Mortgage Data (USPR)

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

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

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

Table 5. Geographic Distribution of Multifamily Loans

Geographic Distribution: MULTIFAMILY			Geography: TEXAS				Evaluation Period: JANUARY 1, 2010 TO DECEMBER 31, 2011					Market Share (%) by Geography*				
Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% of MF Units***	% BANK Loans****	% MF Units***	% BANK Loans****	% MF Units***	% BANK Loans****	% MF Units***	% BANK Loans****						
Full Review:																
Houston-Sugar Land-Baytown MSA	0	0.00	10.41	0.00	35.59	0.00	30.99	0.00	23.00	0.00	0.00	0.00	0.00	0.00	0.00	

* Based on 2011 Peer Mortgage Data (USPR)

** Multi-family loans originated and purchased in the MA/AA as a percentage of all multi-family loans originated and purchased in the rated area.

*** Percentage of Multi Family Units is the number of multi family units in a particular geography divided by the number of multifamily housing units in the area based on 2000 Census information.

**** Multifamily loan distribution includes Home Purchases, Home Improvement and Refinances.

Table 6. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES			Geography: TEXAS				Evaluation Period: JANUARY 1, 2010 TO DECEMBER 31, 2011					Market Share (%) by Geography				
Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans						
Full Review:																
Houston-Sugar Land-Baytown MSA	736	100.00	4.40	7.74	22.49	16.71	27.20	30.03	45.67	45.52	0.41	1.11	0.33	0.47	0.38	

* Based on 2011 Peer Small Business Data -- US and PR

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

*** Source Data - Dun and Bradstreet (2011).

Table 7. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL LOANS TO FARMS			Geography: TEXAS				Evaluation Period: JANUARY 1, 2010 TO DECEMBER 31, 2011					Market Share (%) by Geography*				
Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans						
Full Review:																
Houston-Sugar Land-Baytown MSA	3	100.00	3.56	0.00	19.59	0.00	33.62	33.33	43.16	66.67	0.90	0.00	0.00	0.92	1.20	

* Based on 2011 Peer Small Business Data -- US and PR

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

*** Source Data - Dun and Bradstreet (2011).

Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE		Geography: TEXAS						Evaluation Period: JANUARY 1, 2010 TO DECEMBER 31, 2011							
Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share*				
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Overall	Low	Mod	Mid	Upp
Full Review:															
Houston-Sugar Land-Baytown MSA	121	100.00	23.62	2.61	17.60	17.39	18.63	17.39	40.15	62.61	0.13	0.06	0.10	0.14	0.15

* Based on 2011 Peer Mortgage Data (USPR)

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

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

**** As a percentage of loans with borrower income information available. No information was available for 5.0% of loans originated and purchased by bank.

Table 9. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT		Geography: TEXAS						Evaluation Period: JANUARY 1, 2010 TO DECEMBER 31, 2011							
Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share*				
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Overall	Low	Mod	Mid	Upp
Full Review:															
Houston-Sugar Land-Baytown MSA	14	100.00	23.62	25.00	17.60	8.33	18.63	8.33	40.15	58.33	0.16	0.00	0.00	0.00	0.26

* Based on 2011 Peer Mortgage Data (USPR)

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

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

**** As a percentage of loans with borrower income information available. No information was available for 14.3% of loans originated and purchased by bank.

Table 10. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE		Geography: TEXAS				Evaluation Period: JANUARY 1, 2010 TO DECEMBER 31, 2011					Market Share*				
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Overall	Low	Mod	Mid	Upp
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****					
Full Review:															
Houston-Sugar Land-Baytown MSA	95	100.00	23.62	0.00	17.60	3.57	18.63	14.29	40.15	82.14	0.11	0.00	0.05	0.09	0.13

* Based on 2011 Peer Mortgage Data (USPR)

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

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

**** As a percentage of loans with borrower income information available. No information was available for 11.6% of loans originated and purchased by bank.

Table 11. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES			Geography: TEXAS		Evaluation Period: JANUARY 1, 2010 TO DECEMBER 31, 2011				
Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Market Share*	
	#	% of Total**	% of Businesses***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev \$1 Million or Less
Full Review:									
Houston-Sugar Land-Baytown MSA	736	100.00	66.61	38.18	54.89	19.43	25.68	0.41	0.40

* Based on 2011 Peer Small Business Data -- US and PR

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

*** Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B - 2011).

**** Small loans to businesses with revenues of \$1 million or less as a percentage of all loans reported as small loans to businesses. No information was available for 21.60% of small loans to businesses originated and purchased by the bank.

Table 12. Borrower Distribution of Small Loans to Farms

Borrower Distribution: SMALL LOANS TO FARMS		Geography: TEXAS			Evaluation Period: JANUARY 1, 2010 TO DECEMBER 31, 2011				
Assessment Area:	Total Small Loans to Farms		Farms With Revenues of \$1 million or less		Loans by Original Amount Regardless of Farm Size			Market Share·	
	#	% of Total**	% of Farms***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$500,000	All	Rev \$1 Million or Less
Full Review:									
Houston-Sugar Land-Baytown MSA	3	100.00	96.70	33.33	66.67	33.33	0.00	0.90	0.43

* Based on 2011 Peer Small Business Data -- US and PR

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

*** Farms with revenues of \$1 million or less as a percentage of all farms (Source D&B - 2011).

**** Small loans to farms with revenues of \$1 million or less as a percentage of all loans reported as small loans to farms. No information was available for 33.33% of small loans to farms originated and purchased by the bank.

Table 14. Qualified Investments

QUALIFIED INVESTMENTS		Geography: TEXAS				Evaluation Period: APRIL 12, 2010 TO DECEMBER 31, 2012			
Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
Full Review:									
Houston-Sugar Land-Baytown MSA	10	8,515	43	11,521	53	20,036	100.00	1	4,038

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

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

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

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS																	Geography: TEXAS				Evaluation Period: APRIL 12, 2010 TO DECEMBER 31, 2012			
Assessment Area:	Deposits	Branches						Branch Openings/Closings						Population										
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography										
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp							
Full Review:																								
Houston-Sugar Land-Baytown MSA	100.00	15	100.00	0.00	20.00	26.67	53.33	0	1	0	0	1	0	7.83	32.69	28.81	30.53							