



Community Reinvestment Act
Public File

Community Reinvestment Act (CRA)

Public File

TABLE OF CONTENTS

SECTION I

PUBLIC WRITTEN COMMENTS/BANK RESPONSES

SECTION II

PUBLIC DISCLOSURE – CRA PERFORMANCE EVALUATION

SECTION III

BANKING CENTER LOCATIONS & HOURS OF OPERATION
BANKING CENTER LOCATIONS OPENED AND CLOSED
PRODUCTS/SERVICES LIST AND SCHEDULE OF FEES

SECTION IV

CRA ASSESSMENT AREA MAPS
CRA ASSESSMENT AREA LISTS

SECTION V

SYNERGY BANK CRA STATEMENT
HMDA & CRA DISCLOSURE STATEMENT

Synergy Bank will maintain a paper copy of this file for public inspection upon request at its Main Office in Houma, Louisiana and it is accessible on the Bank's public website (www.synergybank.com). Synergy Bank will comply with any CRA Public File requests within five calendar days and update this file no later than April 2 of each calendar year.

PUBLIC FILE CONTENTS DETAILS

- 1) **Public Comments/Bank Responses:** This file will include the current year and two previous years of all written comments (if any) from the public about how Synergy Bank is helping meet community credit needs and responses from the Bank.
- 2) **Public Disclosure - CRA Performance Evaluation:** This file will include a copy of the public section of Synergy Bank's most recent CRA performance evaluation. A copy will be placed in the public file within 30 business days after receiving it. If a 'less than satisfactory' rating is received during the most recent examination, the file will also include a description of efforts to improve the Bank's performance with updates every three months.
- 3) **Branch Locations** – This file will include a list of Synergy Bank's current branches with their street addresses and geographic areas they service, including hours of operation. A list of any branches that Synergy Bank has opened or closed during the current year and previous two years are also included.
- 4) **Products & Services** – This file will include a list of Synergy Bank's services available, a schedule of fees for services, and loan and deposit products offered at all branch locations. The list will note any significant differences (if any) in services at particular branches.
- 5) **CRA Assessment Area** – This file will include a list of Synergy Bank's assessment area and a map showing its boundaries.
- 6) **Disclosure Statements** – A copy of Synergy Bank's CRA Statement is included in the file. As a HMDA Reportable bank, Synergy Bank includes a copy of the HMDA Disclosure Statement which provides the Consumer Financial Protection Bureau's website of where the residential mortgage lending data is available for review.

WRITTEN COMMENTS FROM THE PUBLIC (CALENDAR YEAR 2023 – 2024)

Attached to this page are any written comments received from the public related to Synergy Bank's Community Reinvestment Act (CRA) performance and any applicable bank response from the prior two calendar years. If you have comments regarding Synergy Bank's CRA performance, please contact us at:

Jerry P Ledet, Jr.
President & Chief Executive Officer
Synergy Bank
P.O. Box 2166
Houma, Louisiana 70361

Synergy Bank did not receive any written comments from the public during the two calendar years.

SYNERGY BANK CRA PERFORMANCE EVALUATION

Synergy Bank's most recent CRA Performance Evaluation completed on 6/20/2023 by the FDIC is attached after this page. Synergy Bank received a rating of **Satisfactory**.

In August 2023, Synergy Bank acquired Peoples Bank and Trust Company of Pointe Coupee Parish. The most recent CRA Performance Evaluation completed on 5/2/2022 by the FDIC is attached. The institution received a rating of **Satisfactory**.

If you have any questions regarding this performance evaluation, please contact us at:

Synergy Bank
210 Synergy Center Blvd
Houma, LA 70360

Or

Sarah Rhodes
Community Reinvestment Act Officer
P.O. Box 2166
Houma, LA 70361

PUBLIC DISCLOSURE

June 20, 2023

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Synergy Bank
Certificate Number: 34978

210 Synergy Center Boulevard
Houma, Louisiana 70360

Federal Deposit Insurance Corporation
Division of Depositor and Consumer Protection
Dallas Regional Office

600 North Pearl Street, Suite 700
Dallas, Texas 75201

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, nor should it be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion, or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.

TABLE OF CONTENTS

INSTITUTION RATING	1
DESCRIPTION OF INSTITUTION	2
DESCRIPTION OF ASSESSMENT AREA	3
SCOPE OF EVALUATION	6
CONCLUSIONS ON PERFORMANCE CRITERIA	8
DISCRIMINATORY OR OTHER ILLEGAL CREDIT PRACTICES REVIEW.....	16
APPENDICES	17
INTERMEDIATE SMALL BANK PERFORMANCE CRITERIA	17
GLOSSARY	18

INSTITUTION RATING

INSTITUTION'S CRA RATING: This institution is rated **Satisfactory**.

An institution in this group has a satisfactory record of helping to meet the credit needs of its assessment areas, including low- and moderate-income neighborhoods, in a manner consistent with its resources and capabilities.

The Lending Test is rated Satisfactory.

- The loan-to-deposit (LTD) ratio is reasonable (considering seasonal variations and taking into account lending-related activities) given the institution's size, financial condition, and assessment area's credit needs.
- A majority of loans are in the institution's assessment area.
- The geographic distribution of loans reflects reasonable dispersion throughout the assessment area.
- The distribution of borrowers reflects, given the demographics of the assessment area, reasonable penetration among businesses of different sizes and individuals of different income levels (including low- and moderate-income).
- The institution did not receive any CRA-related complaints since the previous evaluation; therefore, this factor did not affect the Lending Test rating.

The Community Development Test is rated Satisfactory.

The institution's community development (CD) performance demonstrates adequate responsiveness to CD needs in its assessment area through CD loans, qualified investments (QIs), and CD services, as appropriate, considering the institution's capacity and the need and availability of such opportunities for CD in the institution's assessment area.

DESCRIPTION OF INSTITUTION

Synergy Bank (SB), established in 1999, maintains its headquarters in Houma, Louisiana. Synergy Bancshares, Inc., located in Houma, Louisiana, wholly owns SB. No affiliates or subsidiaries exist relevant to this CRA evaluation, as the institution did not ask for consideration of the activities from such. SB received a “Satisfactory” rating at its previous FDIC performance evaluation, dated June 1, 2020, based on the Federal Financial Institutions Examination Council (FFIEC) Intermediate Small Institution CRA Examination Procedures.

SB functions as a retail bank with a primary business focus, unchanged since the prior evaluation, on commercial and home mortgage lending. The institution did not participate in any merger or acquisition activity since the prior evaluation. The institution operates six full-service offices in Louisiana. The institution has not opened or closed any offices since the prior evaluation.

The institution offers a variety of loan products including home mortgage, commercial, agricultural, and consumer loans. It also provides a variety of deposit services including checking, savings, money market, and certificate of deposit accounts. Service hours include extended drive-thru hours Monday through Friday, extended lobby hours on Fridays, and limited drive-thru hours on Saturdays at all locations. Alternative banking services include internet and mobile banking, electronic bill pay, and six bank-owned automated teller machines (ATMs).

As of the March 31, 2023, Reports of Condition and Income, assets totaled \$840.6 million, total loans equaled \$450.6 million, and deposits totaled \$749.5 million. Since the prior evaluation, on average per year, total assets increased 15.7 percent, net loans increased 8.3 percent, and total deposits increased 16.3 percent. The following table shows a loan distribution supportive of the institution’s primary business focus with commercial loans representing the largest portion of the loan portfolio followed by home mortgage loans.

Loan Portfolio Distribution as of 3/31/2023		
Loan Category	\$(000s)	%
Construction, Land Development, and Other Land Loans	61,235	13.6
Secured by Farmland	4,310	1.0
Secured by 1-4 Family Residential Properties	109,494	24.3
Secured by Multifamily (5 or more) Residential Properties	11,314	2.5
Secured by Nonfarm Nonresidential Properties	162,669	36.1
Total Real Estate Loans	349,022	77.5
Commercial and Industrial Loans	88,869	19.7
Agricultural Production and Other Loans to Farmers	1,181	0.3
Consumer Loans	11,124	2.4
Obligations of State and Political Subdivisions in the U.S.	39	<0.1
Other Loans	323	0.1
Lease Financing Receivable (net of unearned income)	0	0.0
Less: Unearned Income	0	0.0
Total Loans	450,558	100.0
<i>Source: Reports of Condition and Income</i>		

Examiners did not identify any financial, legal, or other impediments that affect the institution's ability to meet the credit needs of its AAs.

DESCRIPTION OF ASSESSMENT AREA

SB designated one assessment area within the State of Louisiana: 1) Houma Metropolitan Statistical Area Assessment Area (Houma MSA AA). The assessment area conforms to technical CRA regulatory requirements. The Houma MSA AA, unchanged since the prior evaluation, consists of a portion of Lafourche and all of Terrebonne Parishes, which represents the two parishes that comprise the Houma MSA located in southeast Louisiana.

- Lafourche Parish – 19 of 27 census tracts
- Terrebonne Parish – all 35 census tracts

The following table shows that the bank operates six full-service offices and ATMs in this assessment area. The offices maintain hours consistent with the area and the industry. The bank's delivery systems and range of products and services remain consistent with those reflected at the institution level.

Full-Service Office Locations					
Parish/City/Street	Office Type	Census Tract Number	Census Tract Income Level	ATM	Office Opened or Closed Since Last Evaluation
Lafourche Parish:					
Thibodaux- E Bayou Rd	Branch	0207.03	Upper	Yes	No
Thibodaux – S Acadia Rd	Branch	0202.02	Upper	Yes	No
Terrebonne Parish:					
Gray – W Park Ave	Branch	0001.06	Middle	Yes	No
Houma – Grand Caillou Rd	Branch	0008.00	Middle	Yes	No
Houma – Synergy Center Blvd	Main Office	0003.00	Moderate	Yes	No
Houma – W Tunnel Blvd	Branch	0003.00	Moderate	Yes	No
<i>Source: Bank data; U.S. Census data (2020).</i>					

Economic and Demographic Data

Based on the 2020 U.S. Census data, the assessment area’s 54 census tracts reflect the following income designations: 3 low-, 11 moderate-, 22 middle-, 15 upper-income census tracts, and 3 census tracts with no income designation. Based on the 2015 ACS data, the same assessment area consisted of 39 census tracts reflecting the following income designations: 0 low-, 7 moderate-, 24 middle-, 7 upper-income census tracts, and 1 census tract with no income designation. FEMA declared this area as a major disaster area during the entire period under review.

According to Moody’s Analytics, major employers in the area include Danos, Terrebonne General Medical Center, and Hercules Offshore. The U.S. Bureau of Labor Statistics reflects an April 2023 unemployment rate of 2.9 percent for the Houma MSA, which is slightly below the 3.4 percent national and the 3.2 percent State of Louisiana unemployment rates for the same period.

Examiners use the applicable FFIEC-updated median family income (MFI) levels to analyze home mortgage loans under the borrower profile criterion. The following table shows the applicable income ranges based on the 2021 FFIEC-estimated MFI of \$67,600 for the Houma MSA.

Median Family Income Ranges – Houma, LA MSA				
Median Family Incomes	Low <50%	Moderate 50% to <80%	Middle \$59,040 to <\$88,560	Upper ≥120%
2021 (\$67,600)	<\$33,800	\$33,800 to <\$54,080	\$54,080 to <\$81,120	≥\$81,120
<i>Source: FFIEC (2020).</i>				

The following table illustrates select demographic characteristics of the assessment area.

Demographic Information Houma MSA AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	54	5.6	20.4	40.7	27.8	5.6
Population by Geography	181,960	4.4	17.3	42.5	33.1	2.7
Housing Units by Geography	75,500	4.3	18.3	42.7	31.4	3.3
Owner-Occupied Units by Geography	48,940	2.7	17.8	42.6	35.2	1.7
Occupied Rental Units by Geography	18,001	8.0	20.0	36.8	28.3	7.0
Vacant Units by Geography	8,559	6.3	17.4	55.8	15.7	4.9
Businesses by Geography	20,664	3.6	17.8	38.5	37.5	2.6
Farms by Geography	599	1.8	17.0	44.6	34.6	2.0
Family Distribution by Income Level	45,688	24.3	16.7	17.6	41.3	0.0
Household Distribution by Income Level	66,941	27.0	15.2	14.6	43.2	0.0
Median Family Income - Houma, LA MSA	\$65,137		Median Housing Value Median Gross Rent Families Below Poverty Level			\$157,545 \$802 14.5%

*Source: 2020 U.S. Census and 2022 D&B Data. Due to rounding, totals may not equal 100.0.
(*) The NA category consists of geographies that have not been assigned an income classification.*

Competition

The Houma MSA AA contains a relatively good level of competition from other chartered banks. According to FDIC Deposit Market Share data as of June 30, 2022, 14 institutions operate 60 offices in the assessment area. Mortgage companies, credit unions, and finance companies also compete for loans in the area adding to the competition level. SB ranks 4th in deposit market share by capturing approximately 12.0 percent of the area’s deposits.

Community Contact

Examiners reviewed an existing contact with a community member knowledgeable of the area’s economic, demographic, and business environment to help assess the current economic conditions, community credit needs, and potential opportunities for bank involvement in the area.

The contact stated that while the local economy is stable, the area is still recovering from a recent hurricane that caused severe destruction in the southern portions of the area. The contact noted that interest in the offshore wing technology industry is expected to create jobs and lure residents to the area. Lending and financial education to small businesses were identified by the contact as banking and credit needs. The contact indicated that several local financial institutions are heavily involved in the community.

Credit and Community Development Needs and Opportunities

Considering information from the community contact, bank management, as well as demographic and economic data, examiners determined that home mortgage and small business loans represent primary credit needs in the assessment area.

Regarding the area's CD needs, demographic data showing that 26.0 percent of the area's census tracts received low- or moderate-income designations and the federal disaster area designations suggest a need for activities that revitalize or stabilize qualifying geographies. In addition, the demographic data showing lower percentages of owner-occupied housing units relative to total housing units in low- and moderate-income geographies, in connection with the 41.0 percent of the area's families reporting low or moderate incomes, also suggests a need for affordable housing. The percentage of low- and moderate-income families also suggests a need for activities that benefit projects or organizations that provide community services targeted to those families. The area's businesses suggest a need for economic development activities, such as those that finance smaller sized entities that support permanent job creation, retention, or improvement for low- or moderate-income persons or geographies.

SCOPE OF EVALUATION

General Information

Examiners evaluated performance based on FFIEC Intermediate Small Institution CRA Examination Procedures, which include the Lending Test and Community Development Test. The appendix details each tests' criteria. This evaluation covers the period from the previous evaluation dated June 1, 2020, to the current evaluation dated June 20, 2023.

Activities Reviewed

For the Lending Test, CRA Intermediate Small Institution procedures require examiners to determine the bank's major product lines for review. As an initial matter, examiners may select from the same loan categories used for CRA Large Bank evaluations: home mortgage, small business, small farm, and consumer loans.

As seen in the following table, considering the dollar volume and number of loans originated or purchased as well as management's stated business strategy, examiners determined that the bank's major product lines consist of small business and home mortgage loans. Since small farm and consumer loans do not represent major product lines and would not materially affect any conclusions or ratings, this evaluation does not include a review of them. The institution's records indicate the lending focus and product mix remained generally consistent throughout the evaluation period.

Loans Originated or Purchased				
Loan Category	\$(000s)	%	#	%
Construction and Land Development	49,338	22.5	222	11.9
Secured by Farmland	574	0.3	1	0.1
Secured by 1-4 Family Residential Properties	42,795	19.5	324	17.4
Multi-Family (5 or more) Residential Properties	2,767	1.3	10	0.5
Commercial Real Estate Loans	60,532	27.7	102	5.5
Commercial and Industrial Loans	51,279	23.4	198	10.6
Agricultural Loans	1,050	0.5	3	0.2
Consumer Loans	9,450	4.3	995	53.4
Other Loans	1,110	0.5	7	0.4
Total Loans	218,895	100.0	1,862	100.0
<i>Source: Bank Data</i>				

This evaluation includes a review of 2022 small business loans, the most recent calendar year of available data. The evaluation considered the universe of 274 small business loans totaling \$51.5 million under the assessment area concentration performance factor. For the geographic distribution performance factor, the analysis used 236 small business loans totaling \$41.3 million originated in the bank's assessment area and a random sample of 55 of those small business loans totaling \$11.4 million for the borrower profile performance factor. Examiners based the sample on a 90 percent confidence interval with a greater than 10 percent precision level and considered the reviewed loans representative of the entire evaluation period. D&B data for 2022 provides a standard of comparison for the small business loans reviewed, with the 2020 U.S. Census serving as a basis for the geographic data.

In addition, this evaluation includes a review of all home mortgage loans listed below reported on the bank's Home Mortgage Disclosure Act (HMDA) Loan Application Registers (LAR) for all full calendar years since the prior evaluation.

- 2020 – 260 such loans totaling \$38.8 million,
- 2021 – 235 such loans totaling \$36.6 million, and
- 2022 – 317 such loans totaling \$46.9 million.

This evaluation presents home mortgage loan data for 2021, the most recent year for which aggregate data exists as of this evaluation data. Home mortgage loan aggregate data for 2021 and 2015 American Community Survey data provided the primary standard of comparison for home mortgage loans.

Examiners considered the universes of the dollar volume and number of loans originated for the loan categories reviewed, as well as management's stated business strategy to determine the weighting applied when evaluating the applicable performance factors. The following table shows that among the loan categories reviewed, small business loans comprise a majority, by both number and dollar. Consequently, examiners weighed small business loans heavier than home mortgage loans when arriving at applicable conclusions.

Loan Products Reviewed				
Loan Category	Universe		Reviewed	
	#	\$(000s)	#	\$(000s)
Home Mortgage	235	36,629	235	36,629
Small Business	274	51,481	274	51,481
<i>Source: Bank Data</i>				

While the evaluation presents both the number and dollar volume of loans, examiners emphasized performance by number of loans because the number of loans better indicates the number of businesses and individuals served.

For the Community Development Test, this evaluation considers applicable current period CD activities, including CD loans, QIs, and CD services. Current period activities involve those generated since the previous June 1, 2020, evaluation. This test further encompasses all prior period QIs. Prior period QIs involve those purchased prior to the previous evaluation, but remain outstanding as of this evaluation’s date. Examiners use the book value as of the current evaluation date for all prior period QIs.

CONCLUSIONS ON PERFORMANCE CRITERIA

LENDING TEST

SB demonstrated a satisfactory record regarding the Lending Test. Reasonable records regarding borrower profile and geographic distribution primarily support this conclusion. A reasonable LTD ratio and a majority of loans originated inside the assessment area further support this conclusion.

Loan-to-Deposit Ratio

The LTD ratio is reasonable (considering seasonal variations and taking into account lending-related activities) given the institution’s size, financial condition, and assessment area’s credit needs. The bank recorded a 58.4 percent average net LTD ratio for the 12 quarters since the previous evaluation, June 1, 2020, to March 31, 2023. The ratio decreased from the 73.7 percent average, net LTD ratio reported at the previous evaluation. Over the 12 quarters, the bank’s quarterly, net LTD ratio ranged from a high of 70.2 percent on September 30, 2020, to a low of 45.9 percent on March 31, 2022.

The following table includes similarly situated institutions operating in or near SB’s assessment area, reporting similar asset sizes, and reflecting similar lending emphases. The following table shows that SB’s ratio fell between the ratios of the similarly situated institutions.

LTD Ratio Comparison		
Bank Name and Location	Total Assets \$(000s)	Average Net LTD Ratio (%)
Synergy Bank, Houma, Terrebonne Par., LA	840,560	58.4
South Louisiana Bank, Houma, Terrebonne Par., LA	702,032	53.9
United Community Bank, Raceland, Lafourche Par., LA	669,176	78.9
<i>Source: Reports of Condition and Income 6/30/2020 – 3/31/2023.</i>		

Assessment Area Concentration

A majority of loans are in the institution’s assessment area. The following tables shows a majority of small business and home mortgage loans, by both number and dollar, originated inside the bank’s assessment area.

Assessment Area Concentration										
Loan Category	Number of Loans				Total #	Dollar Amount of Loans \$(000s)				Total \$(000s)
	Inside		Outside			Inside		Outside		
	#	%	#	%		\$	%	\$	%	
Home Mortgage										
2020	235	90.4	25	9.6	260	31,979	82.4	6,831	17.6	38,810
2021	198	84.3	37	15.7	235	28,553	78.0	8,076	22.0	36,629
2022	275	86.8	42	13.2	317	33,723	72.0	13,132	28.0	46,855
Subtotal	708	87.2	104	12.8	812	94,255	77.1	28,039	22.9	122,294
Small Business	236	86.1	38	13.9	274	41,275	80.2	10,206	19.8	51,481
<i>Source: Bank data (2022); HMDA data (2020-2022).</i>										

Geographic Distribution

The geographic distribution of loans reflects reasonable dispersion throughout the Houma MSA AA. Reasonable records regarding small business loans, not sufficiently lifted by the excellent record regarding home mortgage lending, supports this conclusion.

Small Business Loans

The geographic distribution of small business loans reflects reasonable dispersion throughout the Houma MSA AA. The following table shows that in low-income census tracts, the bank’s level of lending is 1.9 percentage points higher than demographic data, reflecting reasonable performance. The table further shows that in moderate-income tracts, the bank’s level of lending falls 5.5 percentage points lower than the demographic data, evidencing reasonable performance.

Geographic Distribution of Small Business Loans					
Tract Income Level	% of Businesses	#	%	\$(000s)	%
Low	3.6	13	5.5	1,168	2.8
Moderate	17.8	29	12.3	3,711	9.0
Middle	38.5	85	36.0	11,522	27.9
Upper	37.5	107	45.3	24,798	60.1
NA	2.6	2	0.9	76	0.2
Total	100.0	236	100.0	41,275	100.0

Source: 2022 D&B Data; 2020 US Census Data; Bank Data

Home Mortgage Loans

The geographic distribution of home mortgage loans reflects excellent dispersion throughout the Houma MSA AA. The following table shows that in moderate-income tracts, the bank's level of lending rises 20.3 percentage points above aggregate data, reflecting excellent performance.

Geographic Distribution of Home Mortgage Loans						
Tract Income Level	% of Owner-Occupied Housing Units	Aggregate Performance % of #	#	%	\$(000s)	%
Low*	0.0	0.0	0	0.0	0	0.0
Moderate	16.3	11.5	63	31.8	6,079	21.3
Middle	61.1	58.2	117	59.1	19,476	68.2
Upper	22.7	30.3	18	9.1	2,997	10.5
NA	0.0	0.0	0	0.0	0	0.0
Total	100.0	100.0	198	100.0	28,553	100.0

*Source: 2015 ACS Data, 2021 HMDA Aggregate Data, 2021 HMDA Data *No low income tracts in the Houma MSA AA under 2015 ACS Data*

Borrower Profile

The distribution of borrowers reflects, given the demographics of the assessment area, reasonable penetration among businesses of different sizes and individuals of different income levels (including low- and moderate-income) in the Houma MSA AA. Reasonable records regarding small business loans overcome the poor performance regarding home mortgage lending to support this conclusion.

Small Business Loans

The distribution of borrowers reflects, given the demographics of the assessment area, reasonable penetration among businesses of different sizes in the Houma MSA AA. The following table shows that in the Houma MSA AA, the bank originated approximately eight out of every ten loans to businesses with gross annual revenues of \$1 million or less, reflecting a reasonable level.

Distribution of Small Business Loans by Gross Annual Revenue Category					
Gross Revenue Level	% of Businesses	#	%	\$(000s)	%
< \$100,000	60.7	24	43.6	3,794	33.2
\$100,000 - \$249,999	20.9	12	21.8	2,292	20.1
\$250,000 - \$499,999	4.3	3	5.5	266	2.3
\$500,000 - \$1,000,000	2.4	4	7.3	1,639	14.4
Subtotal ≤ \$1,000,000	88.4	43	78.2	7,991	70.0
> \$1,000,000	3.4	8	14.5	2,927	25.7
Revenue Not Available	8.2	4	7.3	494	4.3
Total	100.0	55	100.0	11,412	100.0

Source: 2022 D&B data; Bank data. Due to rounding, totals may not equal 100.0.

Home Mortgage Loans

The distribution of borrowers reflects, given the demographics of the assessment area, reasonable penetration among individuals of different income levels in the Houma MSA AA. The following table shows that, to low-income borrowers, the bank's level of lending rises 2.3 percentage points higher than aggregate data, reflecting a reasonable level. However, the table further shows that, to moderate-income borrowers, the bank's level of lending falls 10.1 percentage points below aggregate data, reflecting poor performance. Examiners placed more weight on the bank's lending to low-income borrowers given the higher percentage of families in this category. Given the relative performances and weightings for the discussed income levels, the overall borrower profile distribution of home mortgage loans reflects a reasonable record.

Distribution of Home Mortgage Loans by Borrower Income Level						
Borrower Income Level	% of Families	Aggregate Performance % of #	#	%	\$(000s)	%
Low	22.7	5.3	15	7.6	777	2.7
Moderate	16.1	16.2	12	6.1	677	2.4
Middle	18.9	19.2	20	10.1	1,670	5.8
Upper	42.3	34.0	50	25.3	6,002	21.0
NA	0.0	25.3	101	51.0	19,426	68.0
Total	100.0	100.0	198	100.0	28,553	100.0

Source: 2015 ACS Data; 2021 HMDA Aggregate Data; 2021 HMDA Data. Due to rounding, totals may not equal 100.0.

Response to Complaints

The bank did not receive any CRA-related complaints since the previous evaluation. Therefore, this criterion did not affect the Lending Test rating.

COMMUNITY DEVELOPMENT TEST

The institution's CD performance demonstrates adequate responsiveness to CD needs in its assessment area through CD loans, QIs, and CD services, as appropriate, considering the

institution’s capacity and the need and availability of such opportunities for CD in the institution’s assessment area.

Community Development Loans

Since the prior evaluation, the bank originated 332 CD loans totaling nearly \$33.2 million. The total dollar amount equates to 4.3 percent of average total assets of \$776.5 million since the previous evaluation, and 8.3 percent of average net loans of \$401.2 million for the same period. These levels decreased over the 6.2 percent of average total assets and the 9.5 percent of average net loans recorded at the prior evaluation. These loans proved responsive to the assessment area’s identified needs in all four categories as seen in the following table.

Community Development Loans										
Activity Year	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
2020*	2	2,194	1	260	10	5,180	19	924	32	8,558
2021	4	3,158	1	306	120	2,873	164	13,470	290	19,807
2022	0	0	0	0	2	1,122	4	2,559	6	3,681
YTD 2023	4	907	0	0	0	0	1	200	5	1,107
Total	10	6,259	2	566	132	9,175	188	17,153	332	33,153

*Source: Bank Data. *Since the prior evaluation.*

The table below illustrates the areas benefitted by the bank’s CD loans.

Community Development Loans by Assessment Area										
Assessment Area	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
Houma MSA AA	10	6,259	2	566	113	9,045	185	16,720	310	32,590
Regional Area	0	0	0	0	19	130	3	433	22	563
Total	10	6,259	2	566	132	9,175	188	17,153	332	33,153

Source: Bank Data

The following point is an example of the bank’s CD loans benefitting a broader statewide or regional area:

- **Revitalize or Stabilize** – The bank refinanced a \$208,981 loan to purchase a furniture store in a low-income census tract. Thus, the activity revitalizes and stabilizes a qualifying geography by helping to attract new, or retain existing, businesses or residents.

The following points provide examples of the bank’s CD loans in the Houma MSA AA:

- **Affordable Housing** – The bank originated a \$1.6 million loan to purchase two apartment complexes that provide rental rates below the Department of Housing and Urban

Development’s fair market rents for the area. Thus, the activity provides affordable housing primarily to low- and moderate-income families.

- **Economic Development** – The bank originated a \$1.9 million loan to purchase a strip mall where the majority of businesses employ low- or moderate-income individuals. Thus, the activity promotes economic development by financing an entity that meet the size eligibility standards of the regulation and by supporting permanent job creation, retention, or improvement for low- or moderate-income persons or in low- or moderate-income geographies.
- **Revitalize or Stabilize** – The bank originated a \$2.0 million loan to repair property in a designated disaster area damaged by a hurricane. Thus, the activity revitalizes and stabilizes a qualifying geography by helping to attract new, or retain existing, businesses or residents.

Qualified Investments

The bank made use of 83 QIs totaling \$5.1 million. The total dollar amount equates to 1.7 percent of average total assets since the prior evaluation and 0.7 percent of average securities of \$281.6 million for the same period. This reflects an increase from the 1.4 percent of average total assets and a decrease from the 5.7 percent of average securities reported in the prior evaluation. The responsiveness of the QIs address identified needs among the assessment area primarily targeted to revitalization and stabilization efforts but also benefit community services.

Qualified Investments										
Activity Year	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
Prior Period	0	0	0	0	0	0	0	0	0	0
2020*	0	0	0	0	0	0	2	3,314	2	3,314
2021	0	0	4	1,000	0	0	0	0	4	1,000
2022	0	0	0	0	0	0	1	750	1	750
YTD 2023	0	0	0	0	0	0	0	0	0	0
Subtotal	0	0	4	1,000	0	0	3	4,064	7	5,064
Qualified Grants & Donations	1	<1	71	72	0	0	4	3	76	75
Total	1	0	75	1,072	0	0	7	4,067	83	5,139

*Source: Bank Data. *Since prior evaluation.*

The table below illustrates the areas benefitted by the bank’s QIs.

Qualified Investments by Assessment Area										
Assessment Area	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
Houma MSA AA	1	<1	71	72	0	0	7	7,753	79	7,825
Regional Area	0	0	4	1,000	0	0	1	314	5	1,314
Total	1	<1	75	1,072	0	0	8	8,067	84	9,139
<i>Source: Bank Data</i>										

The following point is an example of the bank’s QIs benefitting a broader statewide or regional area:

- **Community Services** – The bank invested \$1.0 million in four certificates of deposit at various community development financial institutions (CDFI) that provide affordable financial services to low- and moderate-income individuals and in economically distressed areas. Thus, the activity benefits organizations or projects that provide community services primarily to low- and moderate-income individuals.

The following points provide examples of the bank’s CD loans in the Houma MSA AA:

- **Revitalize or Stabilize** – The bank invested \$750,000 in a municipal bond to fund hurricane risk reduction projects and other flood protection improvements in a designated disaster area. Thus, the activity revitalizes and stabilizes a qualifying geography by helping to attract new, or retain existing, businesses or residents.
- **Revitalize or Stabilize** – The bank invested \$3.0 million in a municipal bond for the acquisition, construction, and installation of flood control and hurricane risk reduction projects, including levees, earthworks, and related improvements and equipment in a designated disaster area. Thus, the activity revitalizes and stabilizes a qualifying geography by helping to attract new, or retain existing, businesses or residents.
- **Community Services** – The bank donated \$8,000 to an organization that provides need-based scholarships to low- and moderate-income individuals. Thus, the activity benefits organizations or projects that provide community services primarily to low- and moderate-income individuals.

Community Development Services

The following table shows that the bank provided 50 CD services since the prior evaluation. This reflects a decrease from the 56 CD services noted at the prior evaluation. The services involve bank personnel’s use of their technical expertise to benefit organizations or projects with a primary purpose of CD, as defined by CRA regulations. Although not particularly responsive, these activities primarily benefit community services and revitalization or stabilization efforts. All CD services benefitted the Houma MSA AA.

Community Development Services					
Activity Year	Affordable Housing	Community Services	Economic Development	Revitalize or Stabilize	Totals
	#	#	#	#	#
2020*	0	3	2	0	5
2021	0	8	2	0	10
2022	0	10	2	6	18
YTD 2023	1	12	0	4	17
Total	1	33	6	10	50

Source: Bank Data. *Since the prior evaluation.

The following points provide examples of the bank's CD services:

- **Community Services** – An employee serves on the Advisory Board of an organization that provides various services such as food, shelter, clothing, and rent and utility payment assistance to low- and moderate-income individuals. Thus, the activity benefits organizations or projects that provide community services primarily to low- and moderate-income individuals.
- **Community Services** – An employee serves on the Board of an organization that provides monetary support to a local public school district where a majority of the students receive free or reduced lunch. Thus, the activity benefits organizations or projects that provide community services primarily to low- and moderate-income individuals.
- **Community Services** – Employees taught financial literacy at local schools where the majority of students receive free or reduced lunch. Thus, the activity benefits organizations or projects that provide community services primarily to low- and moderate-income individuals.

SB also provides banking services that benefit low- and moderate-income individuals or areas through their branching structure. The following table shows the bank operates one-third of its branches in moderate-income census tracts within its assessment area.

Branch and ATM Distribution by Geography Income Level Houma MSA AA								
Census Tract Income Category	Census Tracts		Population		Full-Service Branches		ATMs	
	#	%	#	%	#	%	#	%
Low	3	5.6	8,096	4.4	0	0.0	0	0.0
Moderate	11	20.3	31,413	17.3	2	33.3	2	33.3
Middle	22	40.7	77,252	42.5	2	33.3	2	33.3
Upper	15	27.8	60,237	33.1	2	33.3	2	33.3
NA	3	5.6	4,962	2.7	0	0.0	0	0.0
Total	54	100.0	181,960	100.0	6	100.0	6	100.0

Source: U.S. Census Data (2020); Bank Data. Due to rounding, totals may not equal 100.0.

Furthermore, the bank provides alternative delivery systems that help avail the bank's services to low- and moderate-income individuals or geographies. Those systems include the bank's ATMs, two of which are located in moderate-income census tracts. Besides its ATMs, the bank provides other alternative delivery systems including online and mobile banking as well as electronic bill pay capabilities available to all individuals throughout all portions of the assessment area. Additionally, in response to the COVID-19 pandemic, the bank participated in the Small Business Administration's (SBA) Paycheck Protection Program (PPP) and offered deferrals on loan payments to assist affected borrowers.

DISCRIMINATORY OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

The bank's compliance with the laws relating to discrimination and other illegal credit practices was reviewed, including the Fair Housing Act and the Equal Credit Opportunity Act. Examiners did not identify any discriminatory or other illegal credit practices.

APPENDICES

INTERMEDIATE SMALL BANK PERFORMANCE CRITERIA

Lending Test

The Lending Test evaluates the bank's record of helping to meet the credit needs of its assessment area(s) by considering the following criteria:

- 1) The bank's loan-to-deposit ratio, adjusted for seasonal variation, and, as appropriate, other lending-related activities, such as loan originations for sale to the secondary markets, community development loans, or qualified investments;
- 2) The percentage of loans, and as appropriate, other lending-related activities located in the bank's assessment area(s);
- 3) The geographic distribution of the bank's loans;
- 4) The bank's record of lending to and, as appropriate, engaging in other lending-related activities for borrowers of different income levels and businesses and farms of different sizes; and
- 5) The bank's record of taking action, if warranted, in response to written complaints about its performance in helping to meet credit needs in its assessment area(s).

Community Development Test

The Community Development Test considers the following criteria:

- 1) The number and amount of community development loans;
- 2) The number and amount of qualified investments;
- 3) The extent to which the bank provides community development services; and
- 4) The bank's responsiveness through such activities to community development lending, investment, and service needs.

GLOSSARY

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 metropolitan area/assessment area.

American Community Survey (ACS): A nationwide United States Census survey that produces demographic, social, housing, and economic estimates in the form of five year estimates based on population thresholds.

Area Median Income: The median family income for the MSA, if a person or geography is located in an MSA; or the statewide nonmetropolitan median family income, if a person or geography is located outside an MSA.

Assessment Area: A geographic area delineated by the bank under the requirements of the Community Reinvestment Act.

Census Tract: A small, relatively permanent statistical subdivision of a county or equivalent entity. The primary purpose of census tracts is to provide a stable set of geographic units for the presentation of statistical data. Census tracts generally have a population size between 1,200 and 8,000 people, with an optimum size of 4,000 people. Census tract boundaries generally follow visible and identifiable features, but they may follow nonvisible legal boundaries in some instances. State and county boundaries always are census tract boundaries.

Combined Statistical Area (CSA): A combination of several adjacent metropolitan statistical areas or micropolitan statistical areas or a mix of the two, which are linked by economic ties.

Community Development: For loans, investments, and services to qualify as community development activities, their primary purpose must:

- (1) Support affordable housing for low- and moderate-income individuals;
- (2) Target community services toward low- and moderate-income individuals;
- (3) Promote economic development by financing small businesses or farms; or
- (4) Provide activities that revitalize or stabilize low- and moderate-income geographies, designated disaster areas, or distressed or underserved nonmetropolitan middle-income geographies.

Community Development Corporation (CDC): A CDC allows banks and holding companies to make equity type of investments in community development projects. Institution CDCs can develop innovative debt instruments or provide near-equity investments tailored to the development needs of the community. Institution CDCs are also tailored to their financial and marketing needs. A CDC may purchase, own, rehabilitate, construct, manage, and sell real property. Also, it may make equity or debt investments in development projects and in local businesses. The CDC activities are expected to directly benefit low- and moderate-income groups, and the investment dollars should not represent an undue risk on the banking organization.

Community Development Financial Institutions (CDFIs): CDFIs are private intermediaries (either for profit or nonprofit) with community development as their primary mission. A CDFI facilitates the flow of lending and investment capital into distressed communities and to individuals who have been unable to take advantage of the services offered by traditional financial institutions. Some basic types of CDFIs include community development banks, community development loan funds, community development credit unions, micro enterprise funds, and community development venture capital funds.

A certified CDFI must meet eligibility requirements. These requirements include the following:

- Having a primary mission of promoting community development;
- Serving an investment area or target population;
- Providing development services;
- Maintaining accountability to residents of its investment area or targeted population through representation on its governing board of directors, or by other means;
- Not constituting an agency or instrumentality of the United States, of any state or political subdivision of a state.

Community Development Loan: A loan that:

- (1) Has as its primary purpose community development; and
- (2) Except in the case of a wholesale or limited purpose institution:
 - (i) Has not been reported or collected by the institution or an affiliate for consideration in the institution's assessment area as a home mortgage, small business, small farm, or consumer loan, unless it is a multifamily dwelling loan (as described in Appendix A to Part 203 of this title); and
 - (ii) Benefits the institution's assessment area(s) or a broader statewide or regional area including the institution's assessment area(s).

Community Development Service: A service that:

- (1) Has as its primary purpose community development;
- (2) Is related to the provision of financial services; and
- (3) Has not been considered in the evaluation of the institution's retail banking services under § 345.24(d).

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.

Core Based Statistical Area (SBSA): The county or counties or equivalent entities associated with at least one core (urbanized area or urban cluster) of at least 10,000 population, plus adjacent counties having a high degree of social and economic integration with the core as measured through commuting ties with the counties associated with the core. Metropolitan and Micropolitan Statistical Areas are the two categories of SBSAs.

Distressed Middle-Income Nonmetropolitan Geographies: A nonmetropolitan middle-income geography will be designated as distressed if it is in a county that meets one or more of the following triggers:

- (1) An unemployment rate of at least 1.5 times the national average;
- (2) A poverty rate of 20 percent or more; or
- (3) A population loss of 10 percent or more between the previous and most recent decennial census or a net migration loss of 5 percent or more over the 5-year period preceding the most recent census.

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. Other family 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).

FFIEC-Estimated Income Data: The Federal Financial Institutions Examination Council (FFIEC) issues annual estimates which update median family income from the metropolitan and nonmetropolitan areas. The FFIEC uses American Community Survey data and factors in information from other sources to arrive at an annual estimate that more closely reflects current economic conditions.

Full-Scope Review: A full-scope review is accomplished when examiners complete all applicable interagency examination procedures for an assessment area. Performance under applicable tests is analyzed considering performance context, quantitative factors (e.g, geographic distribution, borrower profile, 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 applicants; the amount of loan requested; and the disposition of the application (approved, denied, and withdrawn).

Home Mortgage Loans: Includes closed-end mortgage loans or open-end line of credits as defined in the HMDA regulation that are not an excluded transaction per the HMDA regulation.

Housing Unit: Includes a house, an apartment, a mobile home, a group of rooms, or a single room that is occupied as separate living quarters.

Limited-Scope Review: A limited scope review is accomplished when examiners do not complete all applicable interagency examination procedures for an assessment area.

Performance under applicable tests is often analyzed using only quantitative factors (e.g, geographic distribution, borrower profile, 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.

Low Income Housing Tax Credit: The Low-Income Housing Tax Credit Program is a housing program contained within the Internal Revenue Code of 1986, as amended. It is administered by the U.S. Department of the Treasury and the Internal Revenue Service. The U.S. Treasury Department distributes low-income housing tax credits to housing credit agencies through the Internal Revenue Service. The housing agencies allocate tax credits on a competitive basis.

Developers who acquire, rehabilitate, or construct low-income rental housing may keep their tax credits. Or, they may sell them to corporations or investor groups, who, as owners of these properties, will be able to reduce their own federal tax payments. The credit can be claimed annually for ten consecutive years. For a project to be eligible, the developer must set aside a specific percentage of units for occupancy by low-income residents. The set-aside requirement remains throughout the compliance period, usually 30 years.

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 metropolitan area/assessment area.

Median Income: The median income divides the income distribution into two equal parts, one having incomes above the median and other having incomes below the median.

Metropolitan Division (MD): A county or group of counties within a SBSA that contain(s) an urbanized area with a population of at least 2.5 million. A MD is one or more main/secondary counties representing an employment center or centers, plus adjacent counties associated with the main/secondary county or counties through commuting ties.

Metropolitan Statistical Area (MSA): SBSA associated with at least one urbanized area having a population of at least 50,000. The MSA comprises the central county or counties or equivalent entities containing the core, plus adjacent outlying counties having a high degree of social and economic integration with the central county or counties as measured through commuting.

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

Multi-family: Refers to a residential structure that contains five or more units.

Nonmetropolitan Area (also known as **non-MSA**): All areas outside of metropolitan areas. The definition of nonmetropolitan area is not consistent with the definition of rural areas. Urban and rural classifications cut across the other hierarchies. For example, there is generally urban and rural territory within metropolitan and nonmetropolitan areas.

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 lawful investment, deposit, membership share, or grant that has as its primary purpose community development.

Rated Area: A rated area is a state or multistate 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 multistate metropolitan area, the institution will receive a rating for the multistate metropolitan area.

Rural Area: Territories, populations, and housing units that are not classified as urban.

Small Business Investment Company (SBIC): SBICs are privately-owned investment companies which are licensed and regulated by the Small Business Administration (SBA). SBICs provide long-term loans and/or venture capital to small firms. Because money for venture or risk investments is difficult for small firms to obtain, SBA provides assistance to SBICs to stimulate and supplement the flow of private equity and long-term loan funds to small companies. Venture capitalists participate in the SBIC program to supplement their own private capital with funds borrowed at favorable rates through SBA's guarantee of SBIC debentures. These SBIC debentures are then sold to private investors. An SBIC's success is linked to the growth and profitability of the companies that it finances. Therefore, some SBICs primarily assist businesses with significant growth potential, such as new firms in innovative industries. SBICs finance small firms by providing straight loans and/or equity-type investments. This kind of financing gives them partial ownership of those businesses and the possibility of sharing in the companies' profits as they grow and prosper.

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

Small Farm Loan: 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, including farm residential and other improvements, or are classified as loans to finance agricultural production and other loans to farmers.

Underserved Middle-Income Nonmetropolitan Geographies: A nonmetropolitan middle-income geography will be designated as underserved if it meets criteria for population size, density, and dispersion indicating the area's population is sufficiently small, thin, and distant from a population center that the tract is likely to have difficulty financing the fixed costs of meeting essential community needs.

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

Urban Area: All territories, populations, and housing units in urbanized areas and in places of 2,500 or more persons outside urbanized areas. More specifically, "urban" consists of territory, persons, and housing units in places of 2,500 or more persons incorporated as cities, villages, boroughs (except in Alaska and New York), and towns (except in the New England states, New York, and Wisconsin).

"Urban" excludes the rural portions of "extended cities"; census designated place of 2,500 or more persons; and other territory, incorporated or unincorporated, including in urbanized areas.

PUBLIC DISCLOSURE

May 2, 2022

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Peoples Bank and Trust Company of Pointe Coupee Parish
Certificate Number: 23090

805 Hospital Road
New Roads, LA 70760

Federal Deposit Insurance Corporation
Division of Depositor and Consumer Protection
Dallas Regional Office

600 North Pearl Street, Suite 700
Dallas, Texas 75201

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, nor should it be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion, or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.

TABLE OF CONTENTS

INSTITUTION RATING	1
DESCRIPTION OF INSTITUTION	1
DESCRIPTION OF ASSESSMENT AREA.....	3
SCOPE OF EVALUATION.....	6
CONCLUSIONS ON PERFORMANCE CRITERIA.....	8
DISCRIMINATORY OR OTHER ILLEGAL CREDIT PRACTICES REVIEW	16
APPENDICES	17
INTERMEDIATE SMALL BANK PERFORMANCE CRITERIA.....	17
GLOSSARY	18

INSTITUTION RATING

INSTITUTION'S CRA RATING: This institution is rated **Satisfactory**.

An institution in this group has a satisfactory record of helping to meet the credit needs of its assessment areas, including low- and moderate-income neighborhoods, in a manner consistent with its resources and capabilities.

The Lending Test is rated Satisfactory.

- The loan-to-deposit ratio is more than reasonable (considering seasonal variations and taking into account lending-related activities) given the institution's size, financial condition, and assessment area credit needs.
- A majority of loans are in the institution's assessment area.
- The geographic distribution of loans reflects excellent dispersion throughout the assessment area.
- The distribution of borrowers reflects, given the demographics of the assessment area, reasonable penetration among individuals of different income levels (including low- and moderate-income) and businesses of different sizes.
- The institution did not receive any CRA-related complaints since the previous evaluation; therefore, this factor did not affect the Lending Test rating.

The Community Development Test is rated Satisfactory.

The institution's community development performance demonstrates adequate responsiveness to community development needs in its assessment area through community development loans, qualified investments, and community development services, as appropriate, considering the institution's capacity and the need and availability of such opportunities for community development in the institution's assessment area.

DESCRIPTION OF INSTITUTION

Peoples Bank and Trust Company of Point Coupee Parish (Peoples B&T), headquartered in New Roads, Louisiana, began operations in 1980. Peoples B&T operates in Pointe Coupee and East Baton Rouge Parishes. Peoples Bancshares of Point Coupee Parish, Inc., New Roads, Louisiana, a locally-owned, independent one-bank holding company, wholly owns Peoples B&T. No other affiliates or subsidiaries exist for this locally-owned bank. Peoples B&T received a "Satisfactory" rating at its previous performance evaluation, dated April 15, 2019, based on Federal Financial Institutions Examination Council (FFIEC) Intermediate Small Institution CRA Examination Procedures, as performed by the Federal Deposit Insurance Corporation (FDIC).

Peoples B&T functions as a retail bank and operates with four full-service offices located in South Central Louisiana. Peoples B&T offers loan products including commercial, small business, home mortgage, construction, land development, and consumer loans, primarily focusing on residential and small business lending. The institution provides a variety of deposit services including, checking, savings and certificates of deposits. Alternative banking services include online banking, mobile banking, bill pay capabilities, wire transfer services, and person-to-person payments. Peoples B&T added an automated teller machine (ATM) to its main office, resulting in five bank-owned ATMs all located in the Baton Rouge LA Metropolitan Statistical Area (MSA) assessment area. The bank’s services and business hours are consistent with the area and industry norms and include extended business hours offered at the main office via drive-thru on Saturdays. The bank did not open or close any branches, and no merger or acquisition activities occurred since the previous evaluation.

In addition, to help respond to COVID-19 pandemic, Peoples B&T implemented relief efforts to refer its customers to a third party for participation in the national Small Business Administration’s (SBA) Paycheck Protection Program (PPP) loan program, which includes loan forgiveness provisions that are subject to certain conditions. The SBA, with support from the Department of the Treasury, implements the PPP, which provides loans to encourage qualified businesses that meet certain standards established by the SBA to retain employees due to COVID-19.

The following table from the December 31, 2021, Call Report, which includes outstanding loans, reflects a distribution supportive of the institution’s primary business focus with residential loans at 47.7 percent of total loans, followed by commercial loans representing 22.3 percent. As of the December 31, 2021, Report of Condition, or Call Report, assets totaled approximately \$383.1 million and included total loans of \$278.5 million, total securities of \$5.0 million, and total deposits of \$319.7 million. Since the last evaluation, on average per year, total assets increased 13.7 percent; total loans increased 4.9 percent; and total deposits increased 15.3 percent, based on the yearly Call Report figures. The following table illustrates the loan portfolio.

Loan Portfolio Distribution		
Loan Category	\$(000s)	%
Construction & Land Development	62,005	22.3
Secured by Farmland	10,314	3.7
Secured by 1-4 Family Residential	127,945	45.9
Secured by Multi-Family Residential	5,133	1.8
Secured by Commercial Real Estate	43,203	15.5
Agricultural Production	5,257	1.9
Commercial and Industrial	19,065	6.8
Consumer	5,468	2.0
Other Loans	177	0.1
Less: Unearned Income	0	0.0
Total Loans	278,567	100.0
<i>Source: Report of Condition and Income (12/31/21).</i>		

Based on the information discussed in this section, as well as other regulatory data, the institution’s financial condition, size, product offerings, prior performance, and status of any legal impediments did not affect its ability to meet the assessment areas’ credit needs.

DESCRIPTION OF ASSESSMENT AREA

Peoples B&T designated a single assessment area, the Baton Rouge Metropolitan Statistical Area assessment area. The assessment area has not changed since the prior evaluation and conforms to CRA regulatory requirements. The following discussion provides information for the area.

BATON ROUGE MSA ASSESSMENT AREA

The Baton Rouge MSA assessment area consists of the following 103 contiguous census tracts within four of the nine parishes in the Baton Rouge MSA:

- East Baton Rouge Parish – all 92 census tracts
- Pointe Coupee Parish – all 6 census tracts
- West Baton Rouge Parish – 3 of 5 census tracts (201, 202, and 203)
- Iberville Parish – 2 of 7 census tracts (9526 and 9527)

The following table shows that the bank operates four full-service offices in the assessment area. It also maintains five ATMs. The bank did not open or close any full-service offices since the prior evaluation. The offices maintain hours consistent with the area and the industry.

Office Locations				
Parish/City/Street	Office Type	Census Tract Number	Census Tract Income Level	Branch Opened or Closed Since Last Evaluation
<i>Point Coupee Parish:</i>				
Point Coupee - Hospital Rd	Main Office	9521.00	Middle	No
Livonia - Louisiana Hwy 78	Branch	9524.00	Middle	No
<i>East Baton Rouge Parish:</i>				
Baton Rouge - Mourning Dove Drive	Branch	0039.06	Upper	No
Baton Rouge - Wax Rd	Branch	0044.02	Middle	No
<small>Source: Bank records; American Community Survey (ACS) data (2015).</small>				

Economic and Demographic Data

The assessment area’s 103 census tracts reflect the following income designations based on the 2015 ACS data and 2021 D&B data: 17 low-, 31 moderate-, 26 middle-, 28 upper-income tracts, and 1 census tract with no income designation. The Federal Emergency Management Agency (FEMA) declared all four parishes within the assessment area as major disaster areas during the period under review primarily due to weather-related events.

The following table illustrates select demographic characteristics of the assessment area.

Demographic Information of the Assessment Area						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	103	16.5	30.1	25.2	27.2	1.0
Population by Geography	489,971	11.5	28.1	26.3	34.0	0.0
Housing Units by Geography	211,251	12.0	28.3	25.4	34.3	0.0
Owner-Occupied Units by Geography	113,759	6.6	23.2	31.4	38.9	0.0
Occupied Rental Units by Geography	72,710	18.2	34.7	17.1	30.0	0.0
Vacant Units by Geography	24,782	18.3	33.2	22.3	26.2	0.0
Businesses by Geography	75,966	8.4	25.9	22.7	42.9	0.1
Farms by Geography	1,500	5.2	24.5	31.1	39.1	0.0
Family Distribution by Income Level	114,868	25.9	16.7	17.3	40.2	0.0
Household Distribution by Income Level	186,469	28.3	15.3	16.2	40.2	0.0
Median Family Income MSA - 12940 Baton Rouge, LA MSA		\$65,593	Median Housing Value			\$172,407
			Median Gross Rent			\$851
			Families Below Poverty Level			13.3%
<i>Source: 2015 ACS and 2021 D&B Data</i> <i>Due to rounding, totals may not equal 100.0%</i> <i>(*) The NA category consists of geographies that have not been assigned an income classification.</i>						

Major industries in the area include utility construction, health services, architectural, engineering, retail services, and government industries. Major employers in the Baton Rouge MSA market include Turner Industries Group, LLC; Exxon-Mobil; The Shaw Group, Inc.; Our Lady of the Lake Regional Medical Center; Performance Contractors, Inc.; Baton Rouge General Medical; and Dow Chemical.

Based on data from the U.S Bureau of Labor Statistics, the Baton Rouge MSA posted an unemployment rate of 4.0 percent in December 2021. This rate is lower than both the 4.2 percent national rate and the 4.5 percent State of Louisiana rate for the same period.

Examiners use the applicable FFIEC-updated median family income (MFI) levels to analyze home mortgage loans under the Borrower Profile performance factor. As an example, the following table shows the applicable income ranges for loans originated in 2020 and 2021 based on the respective MFIs applicable to the assessment area.

Median Family Income Ranges				
Median Family Incomes	Low <50%	Moderate 50% to <80%	Middle 80% to <120%	Upper ≥120%
Baton Rouge, LA MSA Median Family Income				
2020 (\$73,800)	<\$36,900	\$36,900 to <\$59,040	\$59,040 to <\$88,560	≥\$88,560
2021 (\$75,400)	<\$37,700	\$37,700 to <\$60,320	\$60,320 to <\$90,480	≥\$90,480
<i>Source: FFIEC</i>				

Competition

The assessment area contains a relatively high level of competition from other chartered banks based on their total population, with each of the 148 offices from 33 institutions serving about 3,310 people on average. Mortgage companies, credit unions, and finance companies also compete for loans in the assessment area, thereby adding to the competition level. Peoples B&T ranks 10th in deposit market share by capturing approximately 1.3 percent of the area’s deposits based on the June 30, 2021, FDIC Deposit Market Share Report. Overall, the competition level limits lending opportunities.

Community Contact

Examiners contacted a community member knowledgeable of the assessment area’s economic and business environments to help assess the current economic conditions, community credit needs, and potential opportunities for bank involvement in the area. The contact represents a local economic development organization.

The contact noted that the area is rural and considers it mostly a low-income parish. The community member indicated that the Baton Rouge Parish has experienced economic growth due to the COVID-19 pandemic, with the exception of construction; however, project announcements for new construction are increasing. The contact also indicated that there has been an increase in commercial lending as well, which has positively impacted the Baton Rouge Parish. However, credit worthiness, low- and moderate-income levels, and net worth are lower than the national average. As indicated by the community contact, the area is not a major area for residential business and has not seen much increase in residential lending throughout the parish due to the increase in housing costs and low housing stock.

Credit and Community Development Needs and Opportunities

Consistent with most metropolitan areas, the Baton Rouge MSA assessment area creates varied loan demand and lending opportunities. Considering information from the community contact, bank management, and demographic and economic data, examiners determined that the area’s primary credit needs include commercial and residential loans.

With respect to the area’s CD needs, demographic data showing that 46.6 percent of the assessment area’s census tracts received low- or moderate-income designations and the federal disaster area designations suggest a high need for activities that revitalize or stabilize qualifying

geographies. In addition, demographic data showing that 42.6 percent of the assessment area’s families reported low or moderate incomes also suggests a high need for activities that benefit projects or organizations that provide community services targeted to these families.

SCOPE OF EVALUATION

General Information

Examiners evaluated the bank’s performance based on FFIEC Intermediate Small Institution CRA Examination Procedures, which include the Lending and Community Development Tests. This evaluation covers the period from April 15, 2019, to May 2, 2022, the date of the previous evaluation to this evaluation’s date. Examiners performed a full-scope review on the bank’s only assessment area in the Baton Rouge LA MSA.

Activities Reviewed

For the Lending Test, CRA Intermediate Small Institution procedures require examiners to determine the bank’s major product lines for review. As an initial matter, examiners may select from the same loan categories used for CRA Large Bank evaluations: home mortgage, small business, small farm, and consumer loans. The following table shows the bank’s originations and purchases over the most recent calendar year. The activity reflects a generally consistent pattern with the bank’s lending emphasis since the prior evaluation.

Loans Originated or Purchased				
Loan Category	\$(000s)	%	#	%
Construction & Land Development	275,842	35.5	1,011	22.1
Secured by Farmland	26,556	3.4	43	0.9
Secured by 1-4 Family Residential	266,860	34.4	1,613	35.2
Secured by Multi-Family Residential	9,713	1.3	16	0.3
Secured by Commercial Real Estate	0	0.0	0	0.0
Agricultural Production	37,287	4.8	94	2.1
Commercial & Industrial	147,019	18.9	1,136	24.8
Consumer	12,972	1.7	670	14.6
Other Loans	0	0.0	0	0.0
Total Loans	776,249	100.0	4,583	100.0
<i>Source: Bank data (2021).</i>				

Considering the dollar volume and number of loans originated or purchased during 2021, as well as management’s stated business strategy, examiners determined that the bank’s major product lines consist of residential and commercial loans. Although Construction and Land Development loans represent a majority by dollar volume and a significant portion of the loan portfolio by number, these loan products are typically not reviewed to evaluate CRA performance. No other loan categories, including agricultural and consumer loans, represent a major product line and, therefore, would not materially affect any conclusions or ratings. As a result, this evaluation does not discuss them.

Consequently, since Home Mortgage Disclosure Act (HMDA) reporting requirements apply to this bank, this evaluation considers the data collected and reported on the bank's HMDA Loan Application Registers for all full calendar years since the prior evaluation (2019-2021):

- 2019 – 284 loans originated or purchased totaling \$47.2 million;
- 2020 – 251 loans originated or purchased totaling \$41.5 million; and
- 2021 – 272 loans originated or purchased totaling \$46.6 million.

Examiners did not identify any trends between the different years' data that materially affect conclusions. Therefore, with the exception of all years presented under Assessment Area Concentration, this evaluation presents home mortgage loan data for 2020, the most recent year for which aggregate data exists as of this evaluation date. American Community Survey (ACS) Census data for 2015 and HMDA aggregate data for 2020 provide standards of comparison for the presented home mortgage loans.

In addition, since the bank is not subject to and did not voluntarily collect and report its small business loans, this evaluation considers the following groups of small business loans based on data from the most recent full calendar year prior to the start of this evaluation (2021) for the noted Lending Test performance factors:

- Assessment Area Concentration – universe of 377 such loans totaling \$26.9 million;
- Geographic Distribution – universe of 275 such loans totaling \$18.8 million originated in the bank's assessment areas, based on the Assessment Area Concentration findings;
- Borrower Profile – random sample of 58 such loans totaling \$3.9 million from the universe of loans used for the Geographic Distribution.

The random sample uses a statistical 90 percent Confidence Level and a 10 percent Precision Level. Examiners considered the reviewed loans representative of the entire evaluation period. D&B data for 2021 provides a standard of comparison for the small business loans reviewed.

Examiners considered the universes of the dollar volume and number of loans originated in 2021 for the loan categories reviewed, as well as management's stated business strategy to determine the weighting applied to those categories when evaluating the applicable performance factors.

When drawing conclusions, home mortgage lending received the most weight, as this product represents the largest percentage of the loan portfolio at 35.7 percent by dollar volume. This emphasis remains generally consistent for loans originated inside the bank's assessment area as well. Thus, examiners weighed home mortgage loans heavier when arriving at applicable conclusions. The following table shows the universe of loans for the loan categories reviewed.

Loan Category Weighting				
Loan Category Reviewed	Universes of Loan Categories Reviewed			
	\$(000s)	%	#	%
Home Mortgage	46,617	63.4	272	41.9
Small Business	26,896	36.6	377	58.1
Total Reviewed Categories	73,513	100.0	649	100.0

Source: HMDA Data (2021); Bank data (2021).

The scope for the Community Development Test considers applicable current period community development activities, including community development loans, qualified investments, and community development services. Current period activities involve those generated since the previous evaluation dated April 15, 2019. This test further encompasses all prior period qualified investments, which include those purchased prior to the previous evaluation but that remain outstanding as of this evaluation date. Examiners use the book value as of the current evaluation date for all prior period qualified investments.

CONCLUSIONS ON PERFORMANCE CRITERIA

LENDING TEST

Peoples B&T demonstrated a satisfactory record regarding the Lending Test. A more than reasonable loan-to-deposit ratio, a majority of loans in the assessment area, a reasonable borrower profile performance, and an excellent geographic distribution performance support this conclusion. The appendices list the criteria used to evaluate the Lending Test.

For the CRA Intermediate Small Bank Lending Test, examiners first determine whether the loan-to-deposit ratio or assessment area concentration performance warrants downgrading the overall Lending Test rating. Absent any such warranted downgrading, examiners place more weight on the bank's borrower profile and geographic loan distributions when arriving at the overall Lending Test rating.

Loan-to-Deposit Ratio

The loan-to-deposit ratio is more than reasonable (considering seasonal variations and taking into account lending-related activities) given the institution's size, financial condition, and assessment area credit needs.

The bank recorded a 98.6 percent average net loan-to-deposit ratio for the 11 quarters (June 30, 2019 to December 31, 2021) since the previous evaluation. The ratio decreased from the 102.8 percent average net loan-to-deposit ratio reported at the prior evaluation. Over the 11 quarters, the bank's quarterly net loan-to-deposit ratios ranged from a low of 86.5 percent on December 31, 2021, to a high of 111.4 percent as of June 30, 2019. The ratios fluctuated over the review period due to the impacts from the COVID-19 pandemic.

Examiners identified and listed in the following table four comparable institutions based on similar asset sizes and lending profiles, coupled with operations in or near Peoples B&T’s assessment area. The following table shows that Peoples B&T has the highest average net loan-to-deposit ratio out of the four comparable banks. It also indicates that the bank’s average net loan-to-deposit ratio lands 17.1 percentage points higher than the 81.5 percent average of the four ratios from the comparable institutions.

Loan-to-Deposit Ratio Comparison		
Bank Name and Location	Total Assets \$(000s)	Average Net Loan-to-Deposit Ratio (%)
Peoples Bank and Trust Company of Pointe Coupee Parish, New Roads, LA	383,171	98.6
Bank of Zachary, Zachary, LA	322,922	71.6
Guaranty Bank and Trust, New Roads, LA	284,571	84.0
Citizen Savings Bank, Bogalusa, LA	272,626	86.1
The Bank, Raceland, Jennings, LA	355,683	84.4

Source: Report of Condition (12/31/21); Reports of Condition (previous 11 quarters: 6/30/19 to 12/31/21)

Assessment Area Concentration

A majority of loans are in the institution’s assessment area. A majority of home mortgage loans and small business loans originated inside the bank’s assessment area, by number and dollar volume, supports this conclusion. As previously noted, home mortgage loans received heavier weighting when arriving at this conclusion.

Lending Inside and Outside of the Assessment Area										
Loan Category	Number of Loans				Total #	Dollar Amount of Loans \$(000s)				Total \$(000s)
	Inside		Outside			Inside		Outside		
	#	%	#	%		\$	%	\$	%	
Home Mortgage										
2019	217	76.4	67	23.6	284	35,445	75.1	11,732	24.9	47,177
2020	194	77.3	57	22.7	251	30,661	73.9	10,853	26.1	41,514
2021	206	75.7	66	24.3	272	34,265	73.5	12,352	26.5	46,617
Subtotal Home Mortgage	617	76.5	190	23.5	807	100,371	74.2	34,937	25.8	135,308
Small Business	275	72.9	102	27.1	377	18,761	69.8	8,135	30.2	26,896

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

Geographic Distribution

The geographic distribution of loans reflects excellent dispersion throughout the assessment area. An excellent record regarding home mortgage loans outweighed reasonable performance

regarding small business loans to support this conclusion. Home mortgage lending performance outweighed small business lending to support this conclusion.

Examiners considered the bank’s performance relative to the available comparative data and any performance context issues. Examiners also focused on the percentages by the number of loans in low- and moderate-income geographies, if possible, when arriving at conclusions. This factor only considered loans originated inside the bank’s assessment area.

Home Mortgage Loans

The geographic distribution of home mortgage loans reflects an excellent record in the Baton Rouge MSA assessment area. Excellent performance in low- and moderate-income census tracts support this conclusion. Examiners afforded more weight to the performance in moderate-income census tracts compared to low-income census tracts, given the relative lending opportunities illustrated by the corresponding aggregate data. Examiners focused on the comparison to aggregate data when evaluating performance.

The following table shows that, in low-income census tracts, the bank’s level rises 10.9 percentage points higher than the aggregate data, reflecting an excellent level. The table further shows that, in moderate-income census tracts, the bank’s level rises 18.6 percentage points higher, also reflecting an excellent level.

Geographic Distribution of Home Mortgage Loans						
Tract Income Level	% of Owner-Occupied Housing Units	Aggregate Performance % of #	#	%	\$(000s)	%
Low	6.6	2.0	25	12.9	3,171	10.3
Moderate	23.2	16.5	68	35.1	9,659	31.5
Middle	31.4	28.6	69	35.6	10,460	34.1
Upper	38.9	53.0	32	16.5	7,371	24.0
Not Available	0.0	0.0	0	0.0	0	0.0
Totals	100.0	100.0	194	100.0	30,661	100.0

Source: 2015 ACS; Bank Data; 2020 HMDA Aggregate Data. Due to rounding, totals may not equal 100.0%.

Small Business Loans

The geographic distribution of small business loans reflects a reasonable record throughout the Baton Rouge MSA assessment area. Reasonable performance in both low- and moderate-income census tracts supports this conclusion.

Examiners afforded more weight to the performance in moderate-income census tracts compared to low-income census tracts, given the relative lending opportunities illustrated by the corresponding D&B data. Examiners focused on the comparisons to the percentages of businesses as reported by D&B data when arriving at conclusions.

The following table shows that, in low-income census tracts, the bank’s level falls 6.6 percentage points lower, reflecting a reasonable level. The table further shows that, in moderate-income

census tracts, the bank’s level falls 1.9 percentage points lower, also reflecting a reasonable level.

Given the relative performances and weightings for the discussed income levels, the geographic distribution of small business loans reflects a reasonable dispersion record.

Geographic Distribution of Small Business Loans					
Tract Income Level	% of Businesses	#	%	\$(000s)	%
Low	8.4	5	1.8	462	2.5
Moderate	25.9	66	24.0	4,495	24.0
Middle	22.7	127	46.2	6,350	33.8
Upper	42.9	77	28.0	7,454	39.7
Not Available	0.1	0	0.0	0	0.0
Totals	100.0	275	100.0	18,761	100.0

Source: 2021 D&B Data. Due to rounding, totals may not equal 100.0%.

Borrower Profile

The distribution of borrowers reflects, given the demographics of the assessment area, reasonable penetration among individuals of different income levels (including low- and moderate-income) and businesses of different sizes. Reasonable records regarding home mortgage and small business loans support this conclusion. As previously noted, home mortgage loans received heavier weighting when arriving at this conclusion.

Examiners considered the bank’s performance relative to the available comparative data and any performance context issues. Examiners also focused on the percentages by number of loans when arriving at conclusions. This factor only considered loans originated inside the bank’s assessment area.

Home Mortgage Loans

The distribution of home mortgage loans based on the borrowers’ profiles reflects reasonable penetration among individuals of different income levels (including low- and moderate-income). Reasonable performance to both low- and moderate-income borrowers supports this conclusion.

Examiners afforded more weight to the performance to moderate-income borrowers compared to low-income borrowers, given the relative lending opportunities illustrated by the corresponding aggregate and demographic data. Examiners focused on the comparisons to aggregate data when evaluating performance. The borrowers’ income designations define the borrowers’ profiles for this review.

The following table shows that to low-income borrowers the bank’s level lands within a reasonable range of demographic data. The bank’s level falls 2.6 percentage points lower, reflecting a reasonable level. The table further shows that, to moderate-income borrowers, the bank’s level falls 7.9 percentage points lower, also reflective of a reasonable level.

Given the relative performances and weightings for the discussed income levels, the borrower profile distribution of home mortgage loans reflects a reasonable record.

Distribution of Home Mortgage Loans by Borrower Income Level						
Borrower Income Level	% of Families	Aggregate Performance % of #	#	%	\$(000s)	%
Low	25.9	5.2	5	2.6	410	1.3
Moderate	16.7	15.6	15	7.7	1,137	3.7
Middle	17.3	16.9	11	5.7	1,142	3.7
Upper	40.2	43.6	28	14.4	5,549	18.1
Not Available	0.0	18.6	135	69.6	22,423	73.1
Totals	100.0	100.0	194	100.0	30,661	100.0

Source: 2015 ACS; Bank Data; 2020 HMDA Aggregate Data. Due to rounding, totals may not equal 100.0%.

Small Business Loans

The distribution of small business loans based on the borrowers' profiles reflects a reasonable record. Reasonable performance to businesses with gross annual revenues of \$1 million or less supports this conclusion. Examiners focused on the bank's overall levels to businesses with gross annual revenues of \$1 million or less when arriving at this conclusion. The businesses' gross annual revenues define the borrowers' profiles for this review.

The following table shows that the bank originated less than 3 out of every 10 loans to businesses with gross annual revenues of \$1 million or less, typically reflective of a very poor level. However, a significant percentage of the small business loans in the table below were PPP loans for which the bank did not collect revenue data from the borrower. Excluding the loans where the bank did not collect the revenue data on these PPP loans, Peoples B&T originated 65.2 percent of its small business loans to businesses with gross annual revenues of \$1 million or less. In consideration of these factors, examiners determined that the bank's level of small business lending was reasonable.

Detailed Distribution of Small Business Loans by Gross Annual Revenues					
Gross Revenue Level	% of Businesses	#	%	\$(000s)	%
< \$100,000	63.7	10	17.2	1,318	33.5
\$100,000 - \$249,999	19.4	1	1.7	13	0.3
\$250,000 - \$499,999	3.9	2	3.5	119	3.0
\$500,000 - \$1,000,000	2.2	2	3.5	349	8.9
Subtotal <= \$1,000,000	89.2	15	25.9	1,799	45.7
>\$1,000,000	3.1	8	13.8	1,417	36.0
Revenue Not Available	7.7	35	60.3	722	18.3
Total	100.0	58	100.0	3,938	100.0

Source: 2021 D&B Data, Bank Data. Due to rounding, totals may not equal 100.0%.

Response to Complaints

The institution has not received any CRA-related complaints since the previous evaluation; therefore, this performance factor did not affect the Lending Test rating.

COMMUNITY DEVELOPMENT TEST

The institution’s community development performance demonstrates adequate responsiveness to community development needs in its assessment area through community development loans, qualified investments, and community development services, as appropriate, considering the institution’s capacity and the need and availability of such opportunities for community development in the institution’s assessment area. The appendices define community development activities and list the criteria used to evaluate the Community Development Test.

Community Development Loans

The following table shows that, since the last evaluation, the bank originated 685 community development loans totaling over \$74.6 million. The total dollar amount equates to 21.7 percent of average total assets of \$344.0 million since the prior evaluation and 27.2 percent of average net loans of \$274.9 million for the same period.

Community Development Lending										
Activity Year	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
2019	0	0	0	0	0	0	2	1,605	2	1,605
2020	0	0	0	0	0	0	293	22,669	293	22,669
2021	0	0	0	0	0	0	322	28,252	322	28,252
YTD 2022	0	0	0	0	0	0	68	22,156	68	22,156
Total	0	0	0	0	0	0	685	74,682	685	74,682

Source: Bank data.

The bank’s community development loans all benefitted the Baton Rouge MSA assessment area. In addition, a significant portion of the bank’s community development loans were PPP loans. Specifically, the bank originated 541 PPP loans totaling \$30,952,000 during 2020 and 2021 that they wanted consideration for as community development loans.

The following points provide examples of the bank’s CD loans:

- **Revitalize or Stabilize** – In 2021, the bank originated a loan for \$93,237 made to a small business located in a designated disaster area. Thus, the activity revitalizes or stabilizes a qualifying geography by helping to attract new or retain existing businesses or residents.
- **Revitalize or Stabilize** – In 2022, the bank originated a loan for \$67,500 to a small business in a designated disaster area. Thus, the activity revitalizes or stabilizes a

qualifying geography by helping to attract new or retain existing businesses or residents.

All of the CD loans helped to revitalize or stabilize low- and moderate-income geographies or designated disaster areas. These CD loans demonstrate the bank’s responsiveness in helping to revitalize or stabilize low- and moderate-income geographies, which is an identified need.

Qualified Investments

The following table shows that the bank made use of 29 qualified investments totaling over \$4.6 million. The total dollar amount equates to 1.4 percent of average total assets of \$344.0 million since the prior evaluation and 94.0 percent of average securities of \$4.9 million for the same period.

Qualified Investments										
Activity Year	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
Prior Period	0	0	0	0	0	0	18	2,300	18	2,300
2018*	0	0	0	0	0	0	1	250	1	250
2019	0	0	0	0	0	0	2	750	2	750
2020	0	0	0	0	0	0	2	400	2	400
YTD 2021	0	0	0	0	0	0	6	950	6	950
<i>Subtotal</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	29	4,650	29	4,650
Qualified Grants	0	0	0	0	0	0	0	0	0	0
Total	0	0	0	0	0	0	29	4,650	29	4,650

*Source: Bank Data. *Since the prior evaluation.*

The bank’s qualified investments benefitted the following areas:

- Baton Rouge MSA assessment area – 9 qualified investments totaling \$1,510,000
- Statewide – 20 qualified investments totaling \$3,140,000

The following points provide examples of the bank’s qualified investments:

- **Revitalize or Stabilize** – In 2021, the bank purchased six bonds totaling \$950,000 as part of the area’s disaster recovery program. The bonds were for the purpose of purchasing, acquiring, constructing, and improving utilities, water, sewer and school districts. Thus, the disaster recovery activity revitalizes or stabilizes a qualifying geography by helping to attract new or retain existing businesses or residents.
- **Revitalize or Stabilize** – In 2020, the bank purchased two bonds totaling \$400,000 as part of the area’s disaster recovery program for the purpose of improving utilities, sewer and the school district throughout East Baton Rouge and Allen Parishes. Thus, the disaster recovery activity revitalizes or stabilizes a qualifying geography by helping to attract new or retain existing businesses or residents.

The qualified investments helped to revitalize or stabilize low- and moderate-income geographies or designated disaster areas. These qualified investments demonstrate the bank’s responsiveness in helping to revitalize or stabilize low- and moderate-income geographies, which is an identified need.

Community Development Services

The following table shows that the bank provided six community development services since the last evaluation. The services all involve bank personnel’s use of their technical expertise, on behalf of the bank, to benefit organizations or projects with a primary purpose of community development.

Community Development Services					
Activity Year	Affordable Housing	Community Services	Economic Development	Revitalize or Stabilize	Total
	#	#	#	#	#
2019	0	2	1	0	3
2020	0	0	1	0	1
2021	0	0	1	0	1
YTD 2022	0	0	1	0	1
Total	0	0	4	0	6
<i>Source: Bank data.</i>					

The bank’s community development services all benefitted the Baton Rouge MSA assessment area. The following point provides an example of the bank’s CD services:

- **Community Services** – In 2019, bank representatives worked and educated students at two events for a nonprofit organization that prepares young people for success through financial literacy, work readiness, and entrepreneurship. The activities benefit an organization that provides community services targeted to low- and moderate-income individuals.

The community development services helped to provide community development services to low- and moderate-income individuals and also helped to promote economic development. As noted, community services to low- and moderate-income individuals is an identified need.

The following table shows that the bank does not have any full-service offices or ATMs in low- or moderate-income census tracts. However, part of the performance context for this institution includes the very limited number of total full-service offices operated in the Baton Rouge MSA assessment area by the bank. The limited number of offices and ATMs greatly magnifies the effect one office has on the applicable percentages.

Office and ATM Distribution								
Census Tract Income Category	Census Tracts in Assessment Areas		Total Population		Full-Service Offices		ATMs	
	#	%	#	%	#	%	#	%
Low	17	16.5	56,347	11.5	0	0.0	0	0.0
Moderate	31	30.1	137,682	28.1	0	0.0	0	0.0
Middle	26	25.2	128,862	26.3	3	75.0	4	80.0
Upper	28	27.2	166,590	34.0	1	25.0	1	20.0
NA	1	1.0	490	0.1	0	0.0	0	0.0
Total	103	100.0	489,971	100.0	4	100.0	5	100.0
<i>Source: American Community Survey (ACS) Census data (2015); Bank data.</i>								

Besides its ATMs, the bank provides other alternative delivery systems. Those systems include online and mobile banking, bill pay, mobile payments and person-to-person payments. Mobile banking services provide account access and transaction history.

DISCRIMINATORY OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

The bank’s compliance with the laws relating to discrimination and other illegal credit practices was reviewed, including the Fair Housing Act and the Equal Credit Opportunity Act. Examiners did not identify any discriminatory or other illegal credit practices.

APPENDICES

INTERMEDIATE SMALL BANK PERFORMANCE CRITERIA

Lending Test

The Lending Test evaluates the bank's record of helping to meet the credit needs of its assessment area(s) by considering the following criteria:

- 1) The bank's loan-to-deposit ratio, adjusted for seasonal variation, and, as appropriate, other lending-related activities, such as loan originations for sale to the secondary markets, community development loans, or qualified investments;
- 2) The percentage of loans, and as appropriate, other lending-related activities located in the bank's assessment area(s);
- 3) The geographic distribution of the bank's loans;
- 4) The bank's record of lending to and, as appropriate, engaging in other lending-related activities for borrowers of different income levels and businesses and farms of different sizes; and
- 5) The bank's record of taking action, if warranted, in response to written complaints about its performance in helping to meet credit needs in its assessment area(s).

Community Development Test

The Community Development Test considers the following criteria:

- 1) The number and amount of community development loans;
- 2) The number and amount of qualified investments;
- 3) The extent to which the bank provides community development services; and
- 4) The bank's responsiveness through such activities to community development lending, investment, and service needs.

GLOSSARY

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 metropolitan area/assessment area.

American Community Survey (ACS): A nationwide United States Census survey that produces demographic, social, housing, and economic estimates in the form of five year estimates based on population thresholds.

Area Median Income: The median family income for the MSA, if a person or geography is located in an MSA; or the statewide nonmetropolitan median family income, if a person or geography is located outside an MSA.

Assessment Area: A geographic area delineated by the bank under the requirements of the Community Reinvestment Act.

Census Tract: A small, relatively permanent statistical subdivision of a county or equivalent entity. The primary purpose of census tracts is to provide a stable set of geographic units for the presentation of statistical data. Census tracts generally have a population size between 1,200 and 8,000 people, with an optimum size of 4,000 people. Census tract boundaries generally follow visible and identifiable features, but they may follow nonvisible legal boundaries in some instances. State and county boundaries always are census tract boundaries.

Combined Statistical Area (CSA): A combination of several adjacent metropolitan statistical areas or micropolitan statistical areas or a mix of the two, which are linked by economic ties.

Community Development: For loans, investments, and services to qualify as community development activities, their primary purpose must:

- (1) Support affordable housing for low- and moderate-income individuals;
- (2) Target community services toward low- and moderate-income individuals;
- (3) Promote economic development by financing small businesses or farms; or
- (4) Provide activities that revitalize or stabilize low- and moderate-income geographies, designated disaster areas, or distressed or underserved nonmetropolitan middle-income geographies.

Community Development Corporation (CDC): A CDC allows banks and holding companies to make equity type of investments in community development projects. Bank CDCs can develop innovative debt instruments or provide near-equity investments tailored to the development needs of the community. Bank CDCs are also tailored to their financial and marketing needs. A CDC may purchase, own, rehabilitate, construct, manage, and sell real property. Also, it may make equity or debt investments in development projects and in local businesses. The CDC activities are expected to directly benefit low- and moderate-income groups, and the investment dollars should not represent an undue risk on the banking organization.

Community Development Financial Institutions (CDFIs): CDFIs are private intermediaries (either for profit or nonprofit) with community development as their primary mission. A CDFI facilitates the flow of lending and investment capital into distressed communities and to individuals who have been unable to take advantage of the services offered by traditional financial institutions. Some basic types of CDFIs include community development banks, community development loan funds, community development credit unions, micro enterprise funds, and community development venture capital funds.

A certified CDFI must meet eligibility requirements. These requirements include the following:

- Having a primary mission of promoting community development;
- Serving an investment area or target population;
- Providing development services;
- Maintaining accountability to residents of its investment area or targeted population through representation on its governing board of directors, or by other means;
- Not constituting an agency or instrumentality of the United States, of any state or political subdivision of a state.

Community Development Loan: A loan that:

- (1) Has as its primary purpose community development; and
- (2) Except in the case of a wholesale or limited purpose bank:
 - (i) Has not been reported or collected by the bank or an affiliate for consideration in the bank's assessment area as a home mortgage, small business, small farm, or consumer loan, unless it is a multifamily dwelling loan (as described in Appendix A to Part 203 of this title); and
 - (ii) Benefits the bank's assessment area(s) or a broader statewide or regional area including the bank's assessment area(s).

Community Development Service: A service that:

- (1) Has as its primary purpose community development;
- (2) Is related to the provision of financial services; and
- (3) Has not been considered in the evaluation of the bank's retail banking services under § 345.24(d).

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.

Core Based Statistical Area (CBSA): The county or counties or equivalent entities associated with at least one core (urbanized area or urban cluster) of at least 10,000 population, plus adjacent counties having a high degree of social and economic integration with the core as measured through commuting ties with the counties associated with the core. Metropolitan and Micropolitan Statistical Areas are the two categories of CBSAs.

Distressed Middle-Income Nonmetropolitan Geographies: A nonmetropolitan middle-income geography will be designated as distressed if it is in a county that meets one or more of the following triggers:

- (1) An unemployment rate of at least 1.5 times the national average;
- (2) A poverty rate of 20 percent or more; or
- (3) A population loss of 10 percent or more between the previous and most recent decennial census or a net migration loss of 5 percent or more over the 5-year period preceding the most recent census.

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. Other family 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).

FFIEC-Estimated Income Data: The Federal Financial Institutions Examination Council (FFIEC) issues annual estimates which update median family income from the metropolitan and nonmetropolitan areas. The FFIEC uses American Community Survey data and factors in information from other sources to arrive at an annual estimate that more closely reflects current economic conditions.

Full-Scope Review: A full-scope review is accomplished when examiners complete all applicable interagency examination procedures for an assessment area. Performance under applicable tests is analyzed considering performance context, quantitative factors (e.g., geographic distribution, borrower profile, 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 applicants; the amount of loan requested; and the disposition of the application (approved, denied, and withdrawn).

Home Mortgage Loans: Includes closed-end mortgage loans or open-end line of credits as defined in the HMDA regulation that are not an excluded transaction per the HMDA regulation.

Housing Unit: Includes a house, an apartment, a mobile home, a group of rooms, or a single room that is occupied as separate living quarters.

Limited-Scope Review: A limited-scope review is accomplished when examiners do not complete all applicable interagency examination procedures for an assessment area. Performance under applicable tests is often analyzed using only quantitative factors (e.g., geographic distribution, borrower profile, 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.

Low Income Housing Tax Credit: The Low-Income Housing Tax Credit Program is a housing program contained within the Internal Revenue Code of 1986, as amended. It is administered by the U.S. Department of the Treasury and the Internal Revenue Service. The U.S. Treasury Department distributes low-income housing tax credits to housing credit agencies through the Internal Revenue Service. The housing agencies allocate tax credits on a competitive basis.

Developers who acquire, rehabilitate, or construct low-income rental housing may keep their tax credits. Or, they may sell them to corporations or investor groups, who, as owners of these properties, will be able to reduce their own federal tax payments. The credit can be claimed annually for ten consecutive years. For a project to be eligible, the developer must set aside a specific percentage of units for occupancy by low-income residents. The set-aside requirement remains throughout the compliance period, usually 30 years.

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 metropolitan area/assessment area.

Median Income: The median income divides the income distribution into two equal parts, one having incomes above the median and other having incomes below the median.

Metropolitan Division (MD): A county or group of counties within a CBSA that contain(s) an urbanized area with a population of at least 2.5 million. A MD is one or more main/secondary counties representing an employment center or centers, plus adjacent counties associated with the main/secondary county or counties through commuting ties.

Metropolitan Statistical Area (MSA): CBSA associated with at least one urbanized area having a population of at least 50,000. The MSA comprises the central county or counties or equivalent entities containing the core, plus adjacent outlying counties having a high degree of social and economic integration with the central county or counties as measured through commuting.

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

Multi-family: Refers to a residential structure that contains five or more units.

Nonmetropolitan Area (also known as **non-MSA**): All areas outside of metropolitan areas. The definition of nonmetropolitan area is not consistent with the definition of rural areas. Urban and rural classifications cut across the other hierarchies. For example, there is generally urban and rural territory within metropolitan and nonmetropolitan areas.

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 lawful investment, deposit, membership share, or grant that has as its primary purpose community development.

Rated Area: A rated area is a state or multistate 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 multistate metropolitan area, the institution will receive a rating for the multistate metropolitan area.

Rural Area: Territories, populations, and housing units that are not classified as urban.

Small Business Investment Company (SBIC): SBICs are privately-owned investment companies which are licensed and regulated by the Small Business Administration (SBA). SBICs provide long-term loans and/or venture capital to small firms. Because money for venture or risk investments is difficult for small firms to obtain, SBA provides assistance to SBICs to stimulate and supplement the flow of private equity and long-term loan funds to small companies. Venture capitalists participate in the SBIC program to supplement their own private capital with funds borrowed at favorable rates through SBA's guarantee of SBIC debentures. These SBIC debentures are then sold to private investors.

An SBIC's success is linked to the growth and profitability of the companies that it finances. Therefore, some SBICs primarily assist businesses with significant growth potential, such as new firms in innovative industries. SBICs finance small firms by providing straight loans and/or equity-type investments. This kind of financing gives them partial ownership of those businesses and the possibility of sharing in the companies' profits as they grow and prosper.

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

Small Farm Loan: 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, including farm residential and other improvements, or are classified as loans to finance agricultural production and other loans to farmers.

Underserved Middle-Income Nonmetropolitan Geographies: A nonmetropolitan middle-income geography will be designated as underserved if it meets criteria for population size, density, and dispersion indicating the area’s population is sufficiently small, thin, and distant from a population center that the tract is likely to have difficulty financing the fixed costs of meeting essential community needs.

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

Urban Area: All territories, populations, and housing units in urbanized areas and in places of 2,500 or more persons outside urbanized areas. More specifically, “urban” consists of territory, persons, and housing units in places of 2,500 or more persons incorporated as cities, villages, boroughs (except in Alaska and New York), and towns (except in the New England states, New York, and Wisconsin).

“Urban” excludes the rural portions of “extended cities”; census designated place of 2,500 or more persons; and other territory, incorporated or unincorporated, including in urbanized areas.

SYNERGY BANK

Banking Center Locations and Hours of Operation

Branch Name	Address	City	State	Zip	County Name	State Code	MSA/MD Code	Census Tract	Census Tract Income	Lobby Hours	Drive-Thru Hours
Main Office	210 Synergy Center Blvd	Houma	LA	70360	Terrebonne Parish (109)	22	26380	0003.00	Moderate	M-Th 9 am – 4:30 pm Fri 9 am – 5 pm	M-F 7:45 am – 6 pm Sat 9 am – 12 pm
Tunnel Office	1036 West Tunnel Blvd	Houma	LA	70360	Terrebonne Parish (109)	22	26380	0003.00	Moderate	M-Th 9 am – 4:30 pm Fri 9 am – 5 pm	M-F 7:45 am – 6 pm Sat 9 am – 12 pm
East Houma Office	919 Grand Caillou Rd	Houma	LA	70363	Terrebonne Parish (109)	22	26380	0008.00	Middle	M-Th 9 am – 4:30 pm Fri 9 am – 5 pm	M-F 7:45 am – 6 pm Sat 9 am – 12 pm
Gray Office	3855 West Park Ave	Gray	LA	70359	Terrebonne Parish (109)	22	26380	0001.06	Middle	M-Th 9 am – 4:30 pm Fri 9 am – 5 pm	M-F 7:45 am – 6 pm Sat 9 am – 12 pm
Bayou Road Office	209 East Bayou Rd	Thibodaux	LA	70301	Lafourche Parish (057)	22	26380	0207.03	Upper	M-Th 9 am – 4:30 pm Fri 9 am – 5 pm	M-F 7:45 am – 6 pm Sat 9 am – 12 pm
South Acadia Office	1070 South Acadia Rd	Thibodaux	LA	70301	Lafourche Parish (057)	22	26380	0202.02	Upper	M-Th 9 am – 4:30 pm Fri 9 am – 5 pm	M-F 7:45 am – 6 pm Sat 9 am – 12 pm
New Roads Office	805 Hospital Rd	New Roads	LA	70760	Pointe Coupee Parish (077)	22	12940	9521.00	Middle	M/Tue/Th 9 am – 5 pm Wed 9 am – 2 pm Fri 9 am – 5:30 pm	M-Th 8 am – 5 pm Fri 8 am – 5:30 pm Sat 8 am – 12 pm
Livonia Office	3200 Hwy 78	Livonia	LA	70755	Pointe Coupee Parish (077)	22	12940	9524.00	Middle	M/Tue/Th 9 am – 5 pm Wed 9 am – 2 pm Fri 9 am – 5:30 pm	M-Th 8 am – 5 pm Fri 8 am – 5:30 pm
Central Office	14455 Wax Rd	Central	LA	70837	East Baton Rouge Parish (033)	22	12940	0044.02	Upper	M-Th 9 am – 5 pm Fri 9 am – 5:30 pm	M-Th 8 am – 5 pm Fri 8 am – 5:30 pm
Jefferson Hwy. Office	6323 Mourning Dove Dr	Baton Rouge	LA	70817	East Baton Rouge Parish (033)	22	12940	0045.09	Middle	M-Th 9 am – 5 pm Fri 9 am – 5:30 pm	M-Th 8 am – 5 pm Fri 8 am – 5:30 pm

REMOTE SERVICE FACILITIES:

Bayou Region Locations (Main Office, Tunnel Office, East Houma Office, Gray Office, Bayou Road Office, South Acadia Office)

Drive-up ATMs are located at each office location and are available twenty-four hours a day for customer deposits and cash withdrawals, and non-customer cash withdrawals. All ATMs accept Mastercard, VISA, American Express and Discover cards that have been authorized for ATM use. The ATMs also accept any cards that are acceptable by Cirrus, Pulse and Plus networks.

Capital Region Locations (New Roads Office, Livonia Office, Central Office, Jefferson Hwy. Office)

Drive-up ATMs are located at each office location and are available twenty-four hours a day for customer cash withdrawals, and non-customer cash withdrawals. All ATMs accept Mastercard, VISA, American Express and Discover cards that have been authorized for ATM use. The ATMs also accept any cards that are acceptable by Cirrus, Pulse and Plus networks.

Other ATM Cash Dispensing Service Locations:

Location Name	Address	City	State	Zip	County Name	State Code	MSA/MD Code	Census Tract	Census Tract Income	Hours
Olinda's Grocery Store	419 East Main Street	New Roads	LA	70760	Pointe Coupee Parish (077)	22	12940	9519.00	Low	Mon-Thur 7 am – 6:30 pm Fri-Sat 7 am – 7 pm Sun 7:30 am – 1 pm

SYNERGY BANK

Products and Services and Schedule of Fees

We are a full-service bank. All locations offer the following types of products. Please feel free to speak with any of our lending staff regarding current rates and terms. Information regarding our products and services may be obtained upon request from a Customer Service Representative at any of our locations. We will be glad to answer any questions you may have regarding any of our products.

Deposit Products

Personal and Business Checking accounts
Money Market accounts
Personal and Business Savings accounts
Certificates of Deposit
Individual Retirement accounts
Usave Club accounts
Health Savings accounts
Minor Savings accounts

Consumer Loans

Personal Loans
New and Used Vehicle Loans
New and Used Recreational Vehicle Loans
Home Purchase Loans
Home Refinance Loans
2nd Mortgage Home Loans
Vacant Lot Loans
Construction Loans
Home Equity Lines of Credit
Personal Lines of Credit
Certificate of Deposit Loans
Overdraft Protection Lines of Credit

Other Services

Safe Deposit Box rentals
Online & Mobile Banking
Sale of Money Orders
Wire Transfers
Official Checks
Mobile & Remote Deposit Capture
Telephone Banking
Sale of Visa Gift Cards
ATM & Night Depository
Personal & Business Credit Cards
Business Cash Management Services
Automated Clearing House (ACH) Services

Business Loans

SBA and other Guaranteed Loans
Commercial Real Estate Loans
Equipment Loans
Accounts Receivable Loans
Vehicle Loans
Inventory Loans
Vessel Loans
Aircraft Loans
Lines of Credit
Leases
Agricultural Loans
Insurance Premium Financing

OTHER SERVICES AND FEES
SYNERGY BANK

This disclosure contains information about terms, fees, and interest rates for some of the accounts we offer.

MISCELLANEOUS FEES AND CHARGES

Bags

Large zipper bags \$4.00 per bag
Small zipper bags..... \$2.00 per bag

Check Cashing

Non-customer \$1.00 per \$100.00; \$10.00 minimum

Coin Counting Charge

Non-customer 3%; \$5.00 minimum

Collection Items

Collection Drafts \$5.00 for drafts under \$1,000
Collection Drafts..... \$10.00 for drafts \$1,000 and over

Collection Notes

Collection Notes..... \$100.00 setup fee and \$15.00 per payment

Personal Money Orders

Money Orders \$2.00 per money order - Customers
Money Orders \$5.00 per money order - Non-customers

Fax

Facsimile Service..... \$2.00 per page for outgoing fax

Night Deposit

Night Deposit services \$25.00 Annual Fee
Night Deposit bag..... \$25.00 per bag

Official Checks

Customer \$5.00
Non-customer \$10.00

Research

Research \$20.00 per hour

Return Item Charge Back

Charge back..... \$5.00 per returned item

Safe Deposit Boxes

3x5 safe box..... Annual Fee: \$25.00 - Auto Debit: \$35.00 - Bill: \$55.00 - Non-customer
3x10 safe box..... Annual Fee: \$45.00 - Auto Debit: \$55.00 - Bill: \$85.00 - Non-customer
5x10 safe box..... Annual Fee: \$65.00 - Auto Debit: \$75.00 - Bill: \$125.00 - Non-customer
7x10 safe box..... Annual Fee: \$95.00 - Auto Debit: \$105.00 - Bill: \$175.00 - Non-customer
10x10 safe box..... Annual Fee: \$130.00 - Auto Debit: \$140.00 - Bill: \$250.00 - Non-customer

Signature Guarantee

Signature Guarantee..... \$5.00

Wire Transfers

Incoming wires \$15.00
Outgoing wires \$20.00
Foreign wires (Incoming)..... \$15.00
Foreign wires (Outgoing)..... \$55.00

Tax Levies and Garnishments

Tax Levies and Garnishments..... \$25.00 processing fee

Visa Gift Card Fee

Visa Gift Card Fee..... \$3.00

SYNERGY BANK

Terrebonne Parish

Terrebonne Parish consists of 34 total census tracts*. All tracts are encompassed in Synergy Bank's Assessment Area.

* See list of census tracts attached

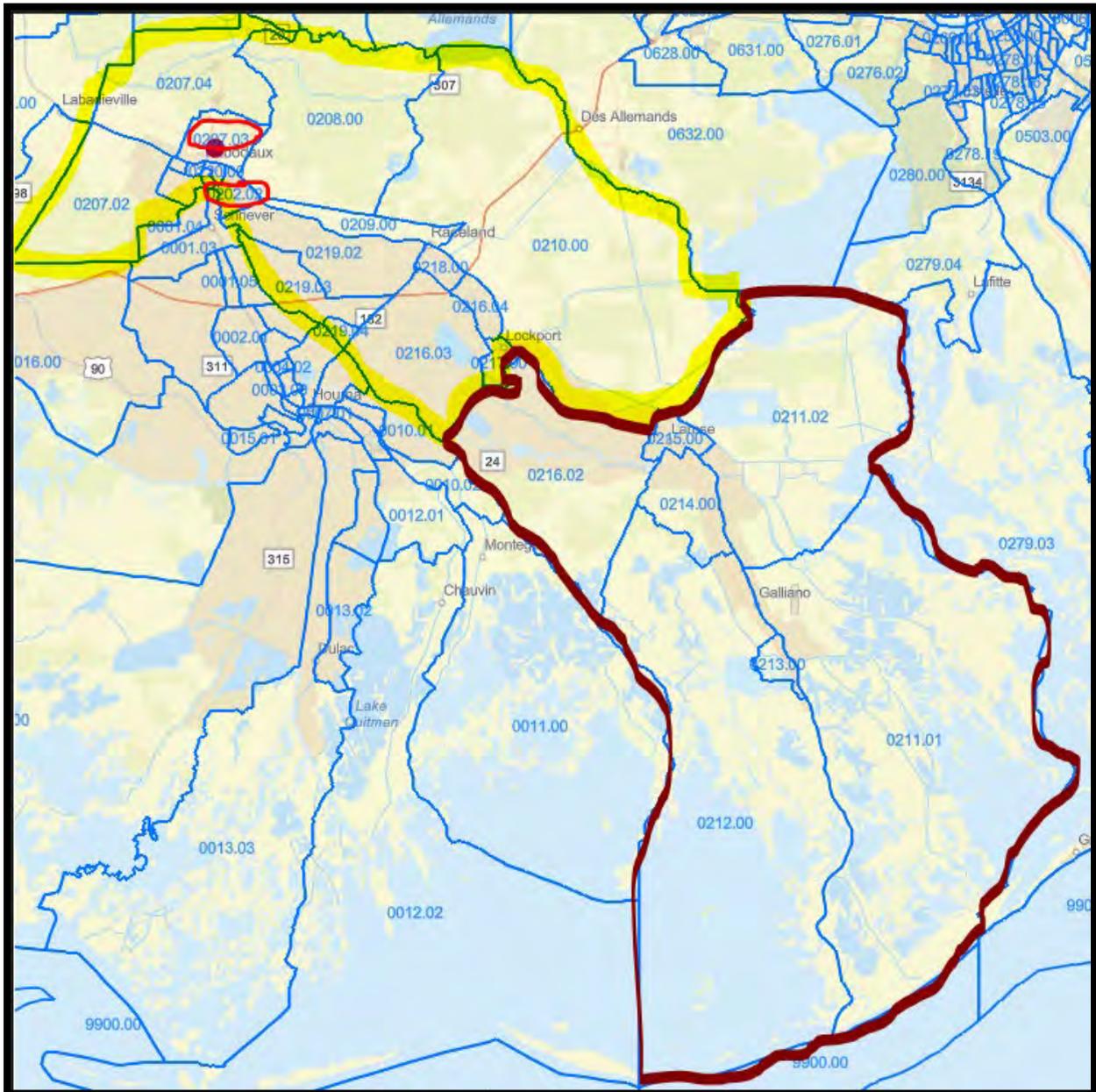


SYNERGY BANK

Lafourche Parish

Lafourche Parish consists of 26 census tracts, of which 19 census tracts* are included in Synergy Bank's assessment area. This is referred to as Upper Lafourche Parish. The below areas outlined in yellow are the included census tracts, and the red outline is the excluded portion of the parish. The census tracts circled are where branch locations are available.

** See list of census tracts attached*

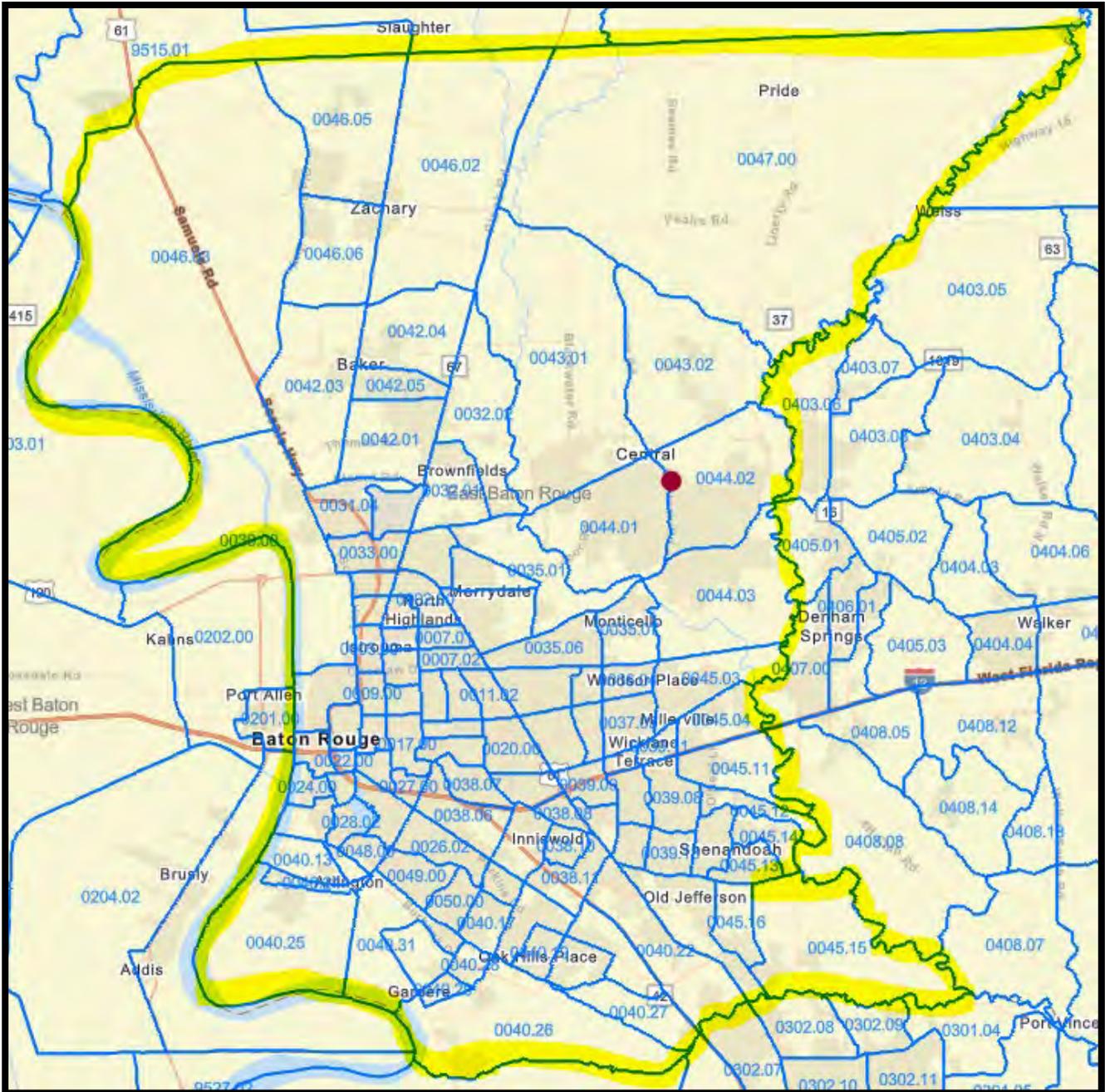


SYNERGY BANK

East Baton Rouge Parish

East Baton Rouge Parish consists of 107 census tracts*. All tracts are encompassed in Synergy Bank's Assessment Area.

* See list of census tracts attached

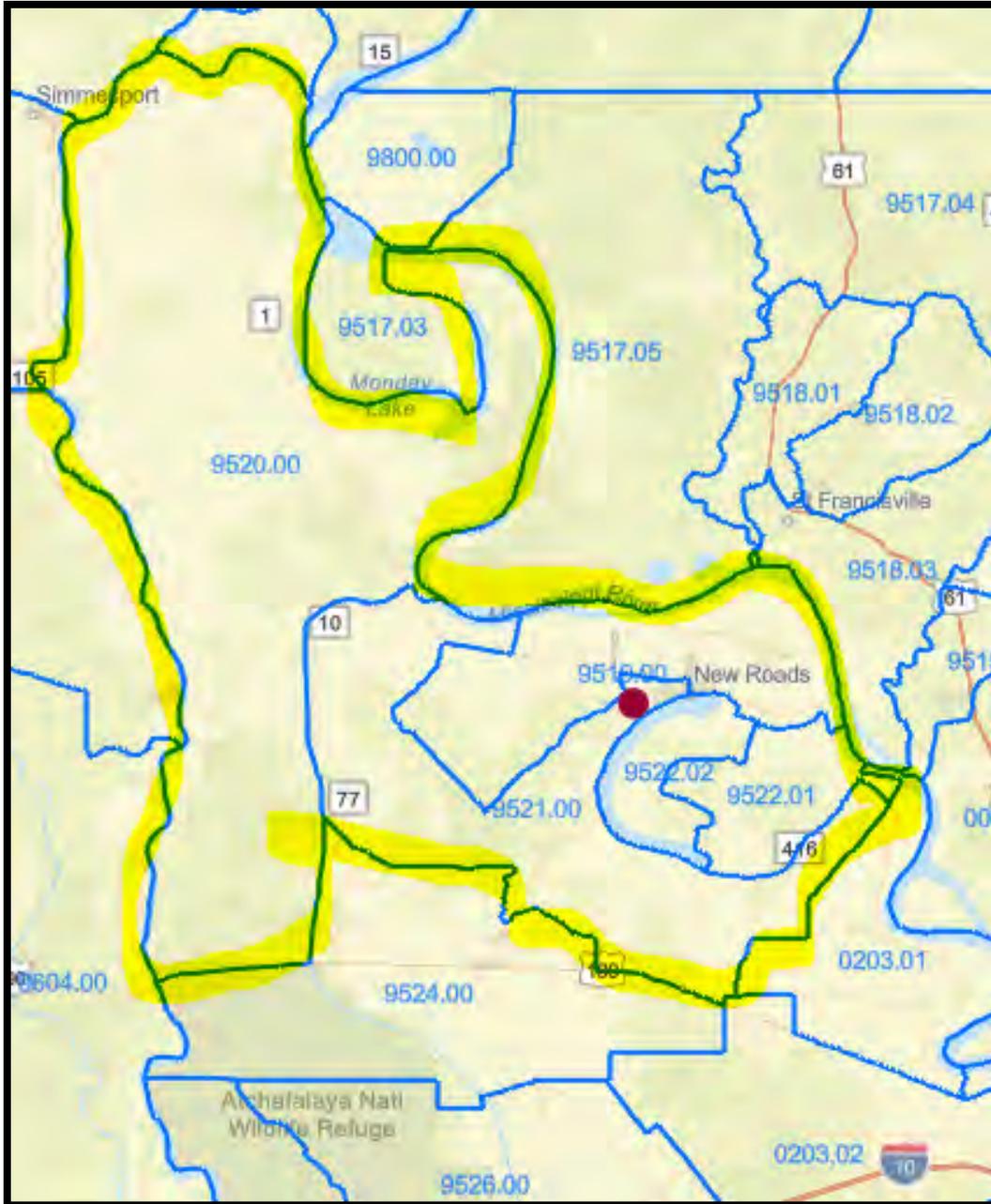


SYNERGY BANK

Pointe Coupee Parish

Pointe Coupee Parish consists of 7 census tracts*. All tracts are encompassed in Synergy Bank's Assessment Area.

* See list of census tracts attached

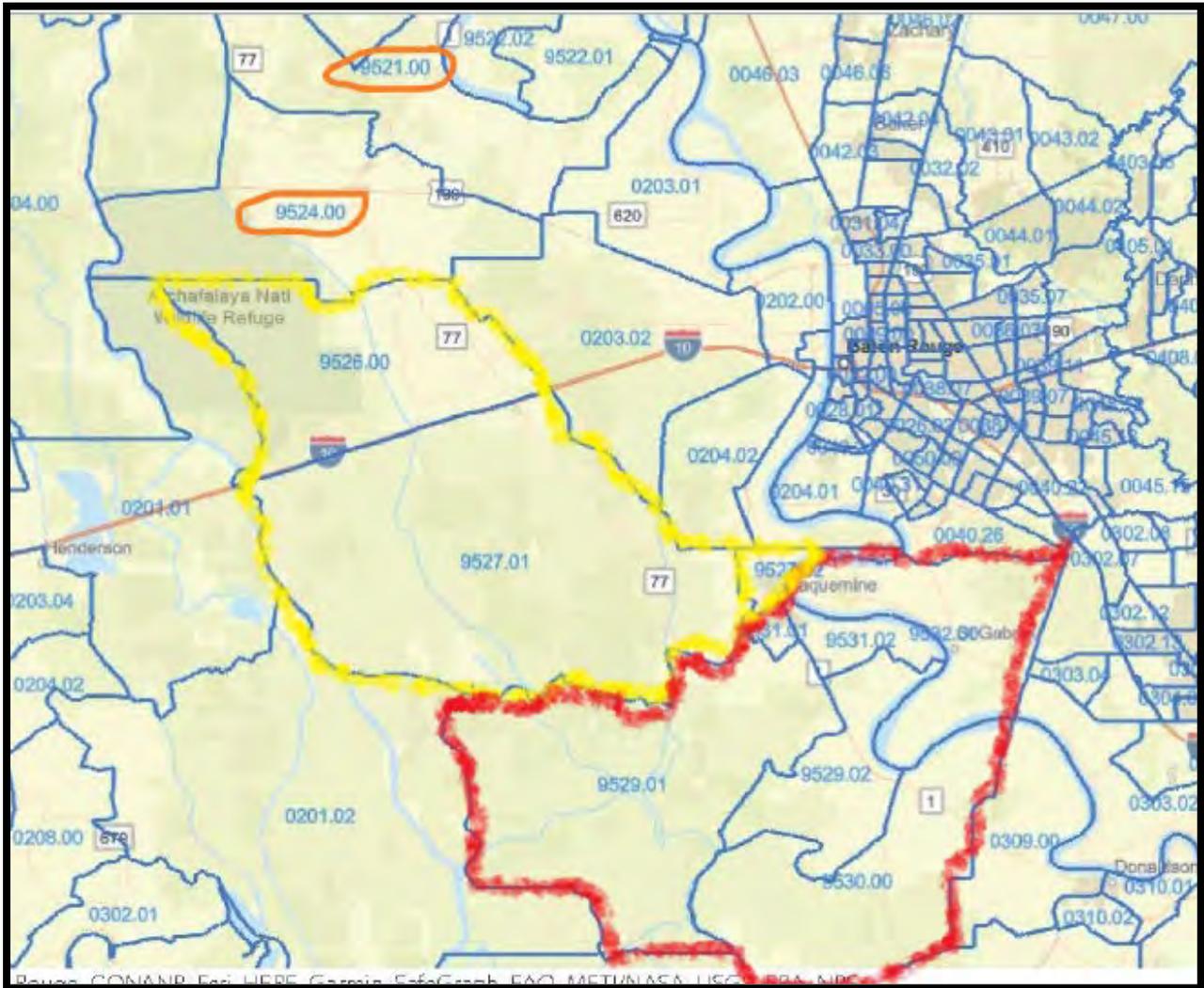


SYNERGY BANK

Iberville Parish

Iberville Parish consists of 9 census tracts, of which 3 census tracts* are included in Synergy Bank's assessment area. The below areas outlined in yellow are the included census tracts, and the red outline is the excluded portion of the parish. The census tracts circled are where branch locations are available.

* See list of census tracts attached

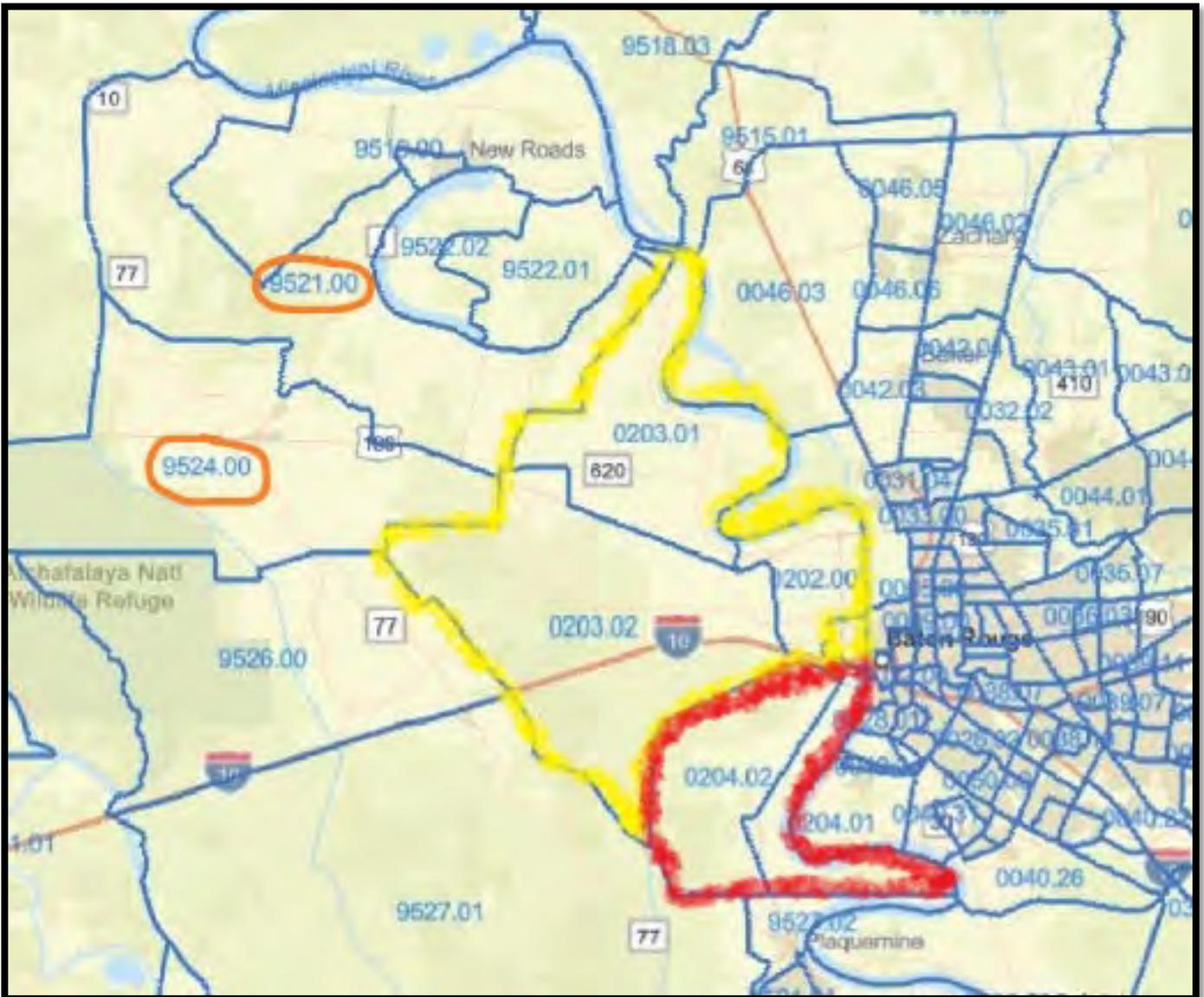


SYNERGY BANK

[West Baton Rouge Parish]

West Baton Rouge Parish consists of 7 census tracts, of which 4 are included in Synergy Bank's assessment area. The below areas outlined in yellow are the included census tracts, and the red outline is the excluded portion of the parish. The census tracts circled are where branch locations are available.

** See list of census tracts attached*



Chartered Service Area:	Terrebonne Parish
MSA/MD Code:	26380
State Code:	22
County Code	109
Total Tracts Included:	34

Census Tract	Tract Income Level	Minority Census Tract
1.03	Middle	20% - <50%
1.04	Moderate	20% - <50%
1.05	Moderate	50% - <80%
1.06	Middle	50% - <80%
2.01	Moderate	20% - <50%
2.03	Upper	20% - <50%
2.04	Middle	20% - <50%
3.00	Moderate	20% - <50%
4.01	Middle	20% - <50%
4.02	Middle	20% - <50%
5.01	Low	50% - <80%
5.02	Upper	20% - <50%
6.01	Unknown	20% - <50%
6.02	Moderate	50% - <80%
7.01	Low	50% - <80%
7.02	Low	>80%
8.00	Middle	20% - <50%
9.01	Middle	20% - <50%
9.02	Moderate	50% - <80%
10.01	Upper	10% - <20%
10.02	Upper	10% - <20%
11.00	Moderate	20% - <50%
12.01	Middle	20% - <50%
12.02	Middle	10% - <20%
13.01	Moderate	50% - <80%
13.02	Moderate	50% - <80%
13.03	Middle	50% - <80%
14.00	Middle	20% - <50%
15.01	Upper	20% - <50%
15.02	Upper	10% - <20%
16.00	Middle	20% - <50%
17.01	Upper	20% - <50%
17.02	Upper	20% - <50%
17.03	Upper	20% - <50%

Chartered Service Area:	Lafourche Parish
MSA/MD Code:	26380
State Code:	22
County Code:	057
Total Tracts Included:	19

Census Tract	Tract Income Level	Minority Census Tract
201.00	Middle	20% - <50%
202.02	Upper	20% - <50%
204.00	Unknown	50% - <80%
205.00	Middle	20% - <50%
206.00	Middle	20% - <50%
207.02	Upper	20% - <50%
207.03	Upper	20% - <50%
207.04	Upper	10% - <20%
208.00	Middle	<10%
209.00	Middle	50% - <80%
210.00	Middle	10% - <20%
216.03	Middle	20% - <50%
216.04	Upper	10% - <20%
217.00	Moderate	10% - <20%
218.00	Moderate	20% - <50%
219.02	Middle	10% - <20%
219.03	Middle	20% - <50%
219.04	Middle	20% - <50%
220.00	Upper	50% - <80%

Chartered Service Area:	East Baton Rouge Parish
MSA/MD Code:	12940
State Code:	22
County Code:	033
Total Tracts Included:	107

Census Tract	Tract Income Level	Minority Census Tract
1.00	Low	>80%
2.00	Low	>80%
3.00	Moderate	>80%
4.00	Low	>80%
5.00	Low	>80%
6.01	Low	>80%
6.02	Low	>80%
7.01	Low	>80%
7.02	Low	>80%
9.00	Low	>80%
10.00	Moderate	>80%
11.02	Low	>80%
11.03	Moderate	>80%
11.04	Low	>80%
16.00	Upper	50% - <80%
17.00	Upper	20% - <50%
18.00	Middle	20% - <50%
19.00	Upper	10% - <20%
20.00	Upper	10% - <20%
22.00	Low	>80%
23.00	Upper	10% - <20%
24.00	Moderate	>80%
25.00	Moderate	50% - <80%
26.01	Upper	10% - <20%
26.02	Upper	20% - <50%
27.00	Middle	50% - <80%
28.01	Unknown	20% - <50%
28.02	Low	20% - <50%
30.00	Moderate	>80%
31.04	Low	>80%
32.01	Moderate	>80%
32.02	Moderate	50% - <80%
33.00	Middle	>80%
34.00	Moderate	>80%
35.01	Unknown	>80%
35.04	Low	>80%
35.05	Moderate	>80%
35.06	Moderate	>80%
35.07	Middle	>80%

Chartered Service Area:	East Baton Rouge Parish
MSA/MD Code:	12940
State Code:	22
County Code:	033
Total Tracts Included:	107

Census Tract	Tract Income Level	Minority Census Tract
36.01	Moderate	>80%
36.03	Low	50% - <80%
36.04	Moderate	>80%
37.01	Middle	20% - <50%
37.02	Middle	50% - <80%
37.03	Middle	50% - <80%
38.04	Upper	20% - <50%
38.06	Middle	50% - <80%
38.07	Upper	20% - <50%
38.08	Upper	20% - <50%
38.09	Middle	20% - <50%
38.10	Moderate	20% - <50%
38.11	Upper	20% - <50%
39.07	Middle	50% - <80%
39.08	Upper	20% - <50%
39.09	Middle	50% - <80%
39.10	Low	>80%
39.11	Moderate	50% - <80%
39.12	Low	>80%
39.13	Upper	20% - <50%
39.14	Middle	20% - <50%
40.10	Upper	20% - <50%
40.13	Low	50% - <80%
40.17	Middle	50% - <80%
40.18	Middle	50% - <80%
40.19	Upper	20% - <50%
40.20	Upper	20% - <50%
40.21	Middle	50% - <80%
40.22	Upper	20% - <50%
40.23	Unknown	20% - <50%
40.24	Unknown	20% - <50%
40.25	Upper	20% - <50%
40.26	Upper	20% - <50%
40.27	Upper	10% - <20%
40.28	Moderate	50% - <80%
40.29	Moderate	>80%
40.30	Middle	50% - <80%
40.31	Middle	20% - <50%
42.01	Moderate	>80%

Chartered Service Area:	East Baton Rouge Parish
MSA/MD Code:	12940
State Code:	22
County Code:	033
Total Tracts Included:	107

Census Tract	Tract Income Level	Minority Census Tract
42.03	Moderate	50% - <80%
42.04	Middle	>80%
42.05	Middle	>80%
43.01	Middle	20% - <50%
43.02	Middle	10% - <20%
44.01	Upper	20% - <50%
44.02	Upper	20% - <50%
44.03	Upper	20% - <50%
45.03	Middle	50% - <80%
45.04	Middle	50% - <80%
45.07	Upper	20% - <50%
45.09	Middle	20% - <50%
45.11	Middle	50% - <80%
45.12	Middle	50% - <80%
45.13	Upper	20% - <50%
45.14	Upper	10% - <20%
45.15	Upper	20% - <50%
45.16	Middle	20% - <50%
46.02	Middle	50% - <80%
46.03	Middle	50% - <80%
46.05	Upper	20% - <50%
46.06	Upper	20% - <50%
47.00	Middle	20% - <50%
48.00	Upper	20% - <50%
49.00	Upper	20% - <50%
50.00	Upper	10% - <20%
51.00	Moderate	50% - <80%
52.00	Moderate	50% - <80%
53.00	Low	>80%

Chartered Service Area:	Pointe Coupee Parish
MSA/MD Code:	12940
State Code:	22
County Code:	077
Total Tracts Included:	7

Census Tract	Tract Income Level	Minority Census Tract
9519.00	Low	50% - <80%
9520.00	Moderate	50% - <80%
9521.00	Middle	20% - <50%
9522.01	Moderate	10% - <20%
9522.02	Middle	10% - <20%
9523.00	Middle	20% - <50%
9524.00	Middle	20% - <50%

Chartered Service Area: Iberville Parish
MSA/MD Code: 12940
State Code: 22
County Code: 047
Total Tracts Included: 3

Census Tract	Tract Income Level	Minority Census Tract
9526.00	Moderate	50% - <80%
9527.01	Moderate	10% - <20%
9527.02	Moderate	50% - <80%

Chartered Service Area: West Baton Rouge Parish
MSA/MD Code: 12940
State Code: 22
County Code: 121
Total Tracts Included: 4

Census Tract	Tract Income Level	Minority Census Tract
201.00	Middle	50% - <80%
202.00	Middle	50% - <80%
203.01	Middle	20% - <50%
203.02	Moderate	20% - <50%

SYNERGY BANK COMMUNITY REINVESTMENT ACT STATEMENT

The Community Reinvestment Act (CRA) was implemented by the Federal Reserve System as Regulation BB in 1978 to encourage all regulated financial institutions to assess and meet the credit and community development needs of their local communities, including low and moderate-income areas, consistent with the institutions' business strategies.

The Board of Directors of Synergy Bank understands the critical role of the Bank in improving the economic well-being of the community it serves. Synergy Bank is committed to complying with Community Reinvestment Act and will demonstrate its commitment by conducting business in a safe, sound, and fair manner, expanding our customer base in a non-discriminatory manner and actively participating in community enhancement programs.

DESCRIPTION OF SYNERGY BANK

Synergy Bank (Bank) is a locally owned, full-service, community bank located in Houma, Louisiana. The Bank is guided by an active, diverse Board of Directors of prominent, successful, business and community leaders and managed by an established team of proven professional bankers.

Synergy Bank services the credit needs of both businesses and consumers and is supported by deposits from businesses, organizations, municipalities and individuals. The Bank offers a comprehensive line of retail and commercial products and services with a personal, hometown touch.

As a locally owned and managed bank, the Bank is committed to the development and economic welfare of the local community. The Board of Directors plays a vital role in the CRA process and is responsible for reviewing Synergy Bank's CRA Statement at least annually. A designated CRA Officer is responsible for directing, monitoring, reporting and documenting the Bank's CRA initiatives. The Compliance Officer is responsible for ensuring that the Bank is in compliance with specific elements of CRA.

DEFINITION OF OUR ASSESSMENT AREA

The Board of Directors has determined the Bank's primary assessment area is Terrebonne Parish, Upper Lafourche Parish, East Baton Rouge Parish, Pointe Coupee Parish, Upper Iberville Parish, and Upper West Baton Rouge Parish. The Bank serves its primary market area from Houma, the economic, government and cultural center of Terrebonne Parish, Louisiana. In 2011, the Bank opened an office in the Thibodaux area. Due to the opening of this office, the northern part of Lafourche Parish has been included in the Bank's assessment area. A second office was opened in the Thibodaux area in December 2016. The Bank determined that the existing assessment area was still sufficient based on the location of the second office. In August 2023, the Bank's assessment area was expanded with the acquisition of Peoples Bank and Trust Company of Pointe Coupee Parish located in the Baton Rouge market area. The acquisition included four office locations of which two offices are in Pointe Coupee Parish, and two offices are in East Baton Rouge Parish. Due to the office locations, the East Baton Rouge Parish, Pointe Coupee Parish, northern part of Iberville Parish and northern part of West Baton Rouge Parish has been included in the Bank's assessment area. The determination of the assessment area is based on

various factors including the Bank's size, market competition and management's banking expertise and knowledge of the area and the local economy.

Banking services to the assessment area are by all of Synergy Bank's offices in Terrebonne, Lafourche, and the designated Baton Rouge Parishes. As the Bank continues to grow, offices will be strategically located throughout the parishes to meet the needs of the assessment area. Synergy Bank also provides commercial banking services to its expanding market, Southeastern Louisiana. The Bank targets industries that are harmonious with the regional economy, i.e. oil and gas exploration and production, commercial fishing, food processing and packaging, parts manufacturing, health care and research.

ASSESSMENT OF COMMUNITY NEEDS

Synergy Bank assesses the community's needs through networking with local government officials, businesses and community organizations. The Bank maintains ongoing dialogue with key contacts within these groups. Such community contacts include the following:

- ◆ Mayoral offices, police jurors, councilmen, parish and city representatives
- ◆ Local chambers of commerce
- ◆ Economic development agencies
- ◆ Local housing authority
- ◆ United Way of Southeast Louisiana
- ◆ Civic groups
- ◆ Professional organizations
- ◆ Charitable groups
- ◆ Religious organizations
- ◆ Board of Realtors
- ◆ School administrators
- ◆ Administrators, faculty and staff of local college and universities
- ◆ Local chapters of national civil rights organization

Synergy Bank, through its directors and officers, actively participates in community organizations that continually assess the ever-changing needs of our community. The Bank specifically supports programs designed to meet the needs of start-up businesses and small businesses that benefit low and moderate-income individuals through employment training and job creation.

MEETING THE COMMUNITY'S NEEDS

Synergy Bank's approach to meeting the business community's needs, especially low and moderate-income individuals and families, includes the following:

- ◆ Locating offices in locations that provide convenient access to low, moderate, middle and upper income groups
- ◆ Offering reasonably priced products and services designed to meet the general public's need including low-cost checking accounts and service charges
- ◆ Supporting public education and vocational development

- ◆ Active participation in community service by directors, officers and employees of the Bank through various civic and charitable organizations
- ◆ Active support of community development programs through participation in Enhancement Zone Guaranteed loans, Small Business Administration loans and other federal, state and local assistance program for housing and business
- ◆ Participation in community outreach programs by sponsoring home ownership, job training and youth mentoring programs
- ◆ Providing capital to key employers in Southeast Louisiana to create new opportunities and jobs

DEPOSIT SERVICES OFFERED

Synergy Bank offers an array of competitively priced checking, savings and money market accounts including but not limited to the following:

- ◆ Low-cost checking
- ◆ Free checking
- ◆ Interest-bearing checking
- ◆ Savings
- ◆ Money market
- ◆ Time deposits
- ◆ Certificate of Deposits
- ◆ Individual Retirement Accounts
- ◆ Club Accounts

CREDIT SERVICES OFFERED

Synergy Bank understands the impact of credit availability on the economic well-being and growth of the business community. Accordingly, the Bank offers a variety of credit services including but not limited to the following:

Consumer Loans:

- ◆ Personal loans
- ◆ Automobile loans
- ◆ Residential construction loans
- ◆ Home improvement loans
- ◆ Home equity loans
- ◆ Recreational vehicle and marine loans
- ◆ Personal lines of credit
- ◆ Educational loans through participating schools
- ◆ Brokered thirty-year first mortgage residential loans in the secondary market

Commercial Loans:

- ◆ Working capital loans
- ◆ Revolving lines of credit
- ◆ Equipment loans
- ◆ Commercial real estate loans
- ◆ Residential Subdivision Development loans

- ◆ Commercial letters of credit
- ◆ Standby letters of credit
- ◆ Small Business Administration (SBA) loans
- ◆ Agriculture Loans

NON-DISCRIMINATORY POLICY STATEMENT

The directors, officers and employees of Synergy Bank are committed to complying with the letter and intent of all applicable consumer and fair lending laws. No individual will be denied the services of Synergy Bank due to discrimination based on race, color, religion, national origin, sex, marital status, age, physical condition, or disability, because all or part of the applicant's income is derived from any public assistance program, or because the applicant has in good faith exercised any rights under the Consumer Credit Protection Act. All employees are instructed to treat all persons fairly and not to discourage any individual from applying for credit. Synergy Bank accepts and considers all written and verbal applications for credit and grants such credit based on safe and sound banking principles. The Bank is committed to knowing the credit and development needs of its assessment area, including loans, services and investments that will benefit small and start-up businesses which will additionally benefit low and moderate-income individuals and communities, and proactively seeks opportunities to satisfy these needs.

COMMUNITY REINVESTMENT ACT NOTICE

Synergy Bank displays its formal Community Reinvestment Act Notice in the public lobbies of all office locations. Written comments regarding our CRA statement or performance are welcomed. All signed, written comments should be directed to:

Jerry P. Ledet, Jr.
President & Chief Executive Officer
Synergy Bank
P. O. Box 2166
Houma, Louisiana 70361

Your comments together with our response may be made public.

COMMUNITY REINVESTMENT ACT PUBLIC FILE

Synergy Bank maintains a CRA Public File at the main office and is readily accessible to the public on the Bank's website. The public file includes all written comments from the public, our response to these comments, the public section of the Bank's most recent CRA performance evaluation, and all other required information under the Act. Copies of the information from the CRA Public File are also available upon request. All requests should be directed to:

Sarah Rhodes
Community Reinvestment Act Officer
Synergy Bank
P. O. Box 2166
Houma, Louisiana 70361

The actual cost of copying and applicable mailing charges may be billed to the requesting party.

HOME MORTGAGE DISCLOSURE ACT NOTICE

The HMDA data about our residential mortgage lending are available online for review. The data show geographic distribution of loans and applications; ethnicity, race, sex, and income of applicants and borrowers; and information about approvals and denials.

These data are available online at the Consumer Financial Protection Bureau's website (www.consumerfinance.gov/hmda).

HMDA data for many other financial institutions are also available at this website.