



Fairmont & St Paul

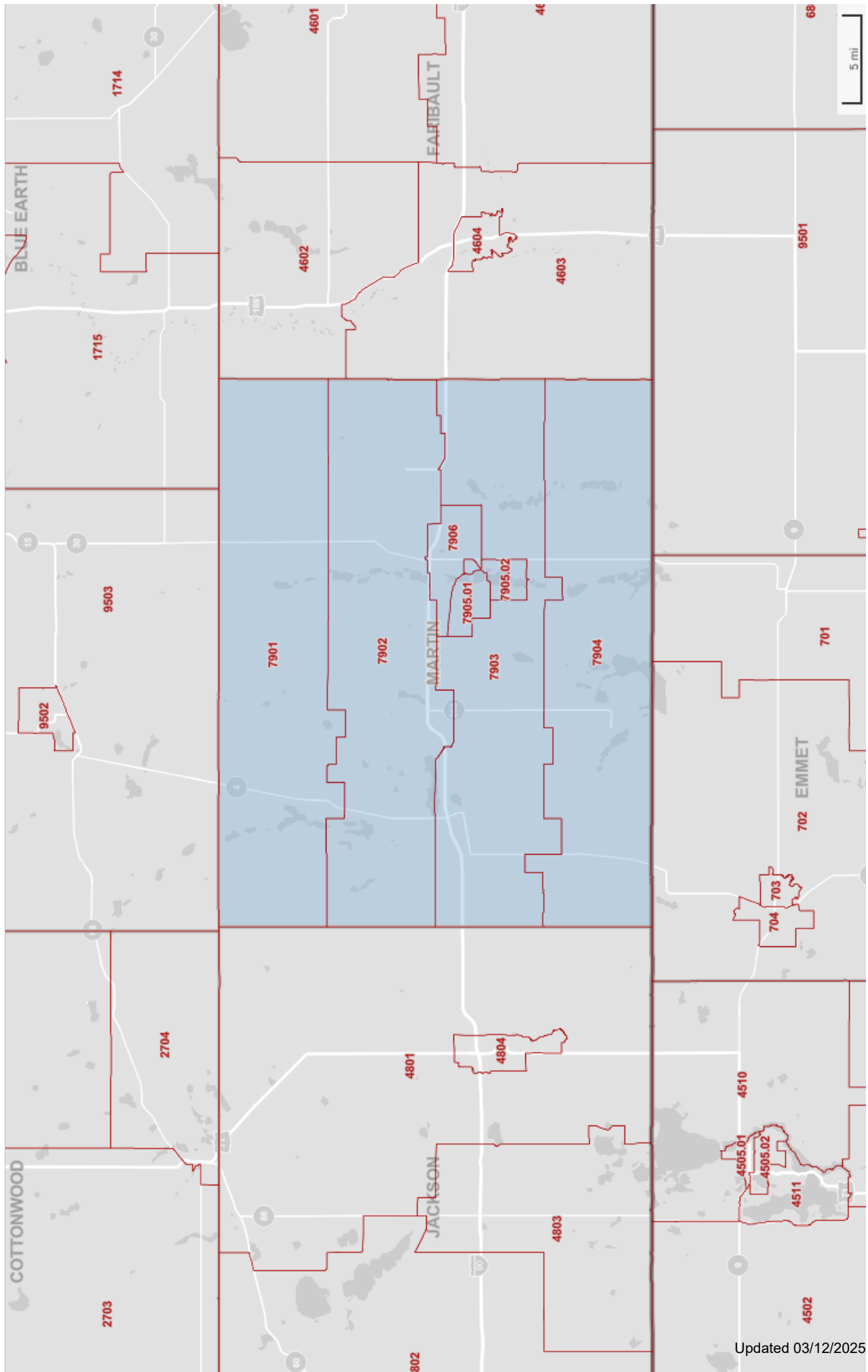
CRA Public File

- A. Previously, to recent amendments to the Community Reinvestment Act, we defined our primary market as our Lending Territory. We now discuss this in terms of our Assessment Area and concentrate on having the greatest percentage of our business to originate within the market.

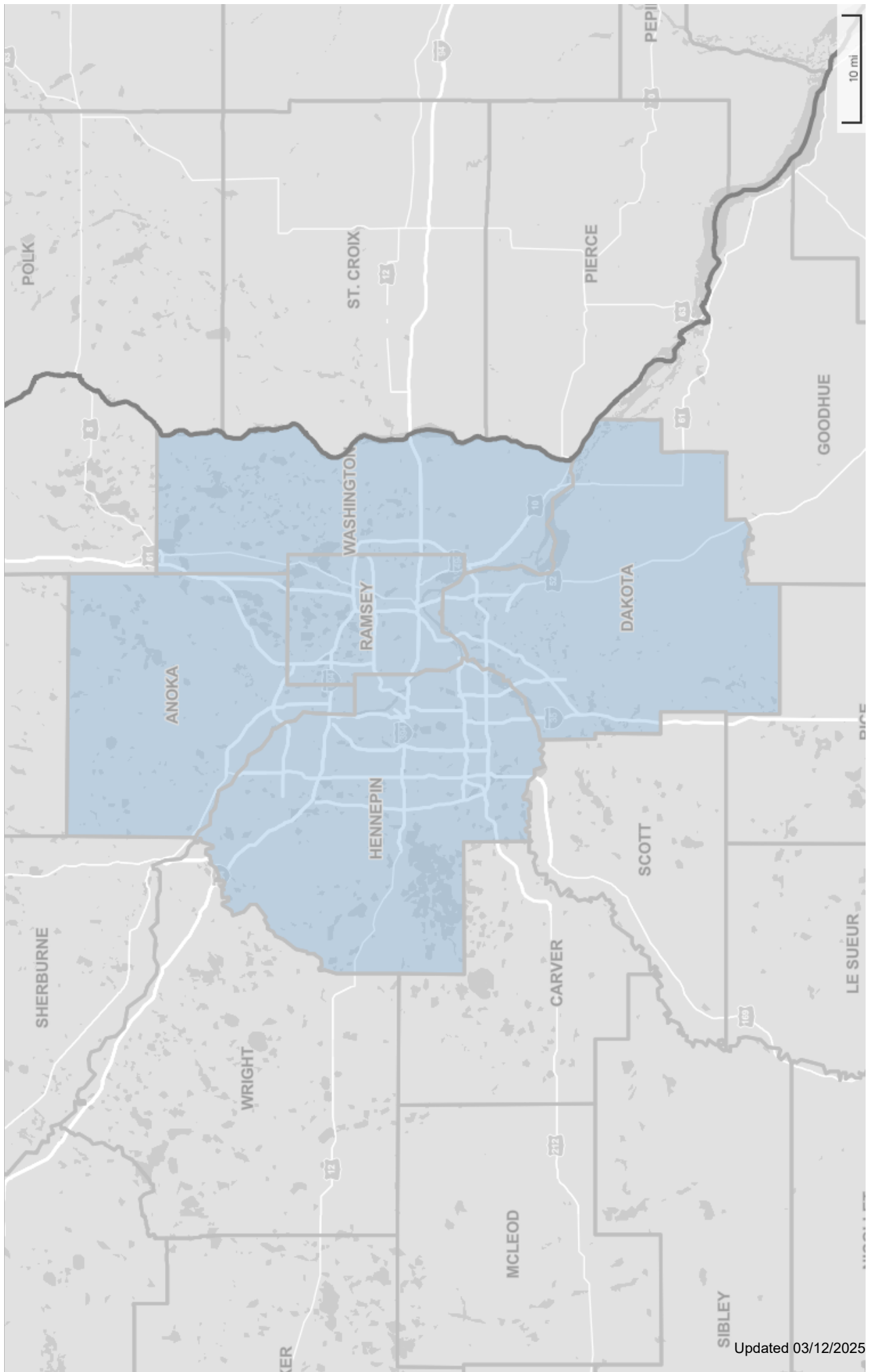
The Fairmont charter consists of two assessment areas as follows:

- Fairmont Assessment Area:
 - Martin County, 27-091, Non-MSA AA consisting of eight census tracts
- St Paul Assessment Area: Minneapolis MSA AA:
 - Anoka County, 27-003 (90 Census Tracts)
 - Dakota County, 27-037 (106 Census Tracts)
 - Hennepin County, 27-053 (329 Census Tracts)
 - Ramsey County, 27-123 (143 Census Tracts)
 - Washington County, 27-163 (59 Census Tracts)

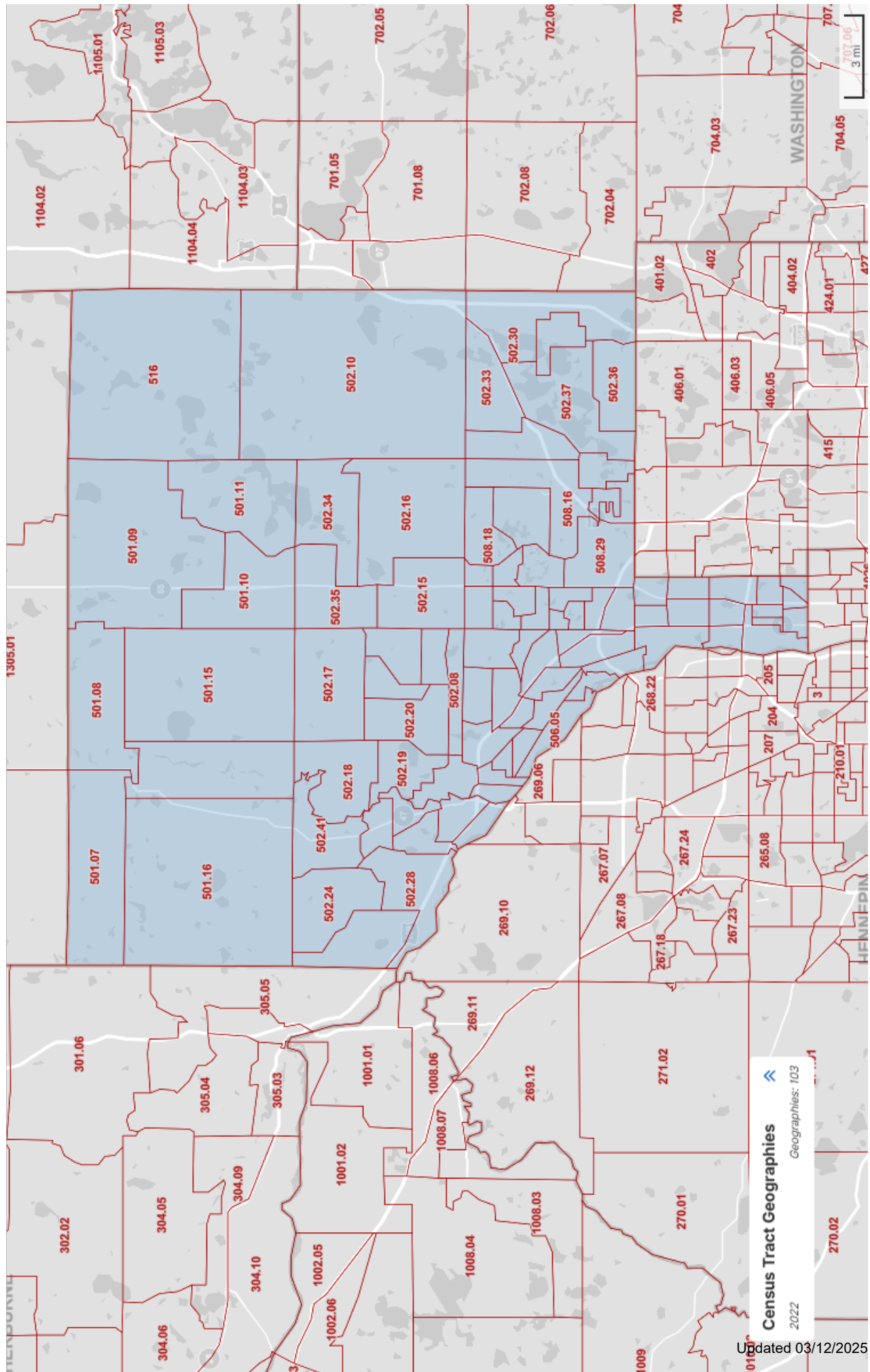
Census Tract Martin County



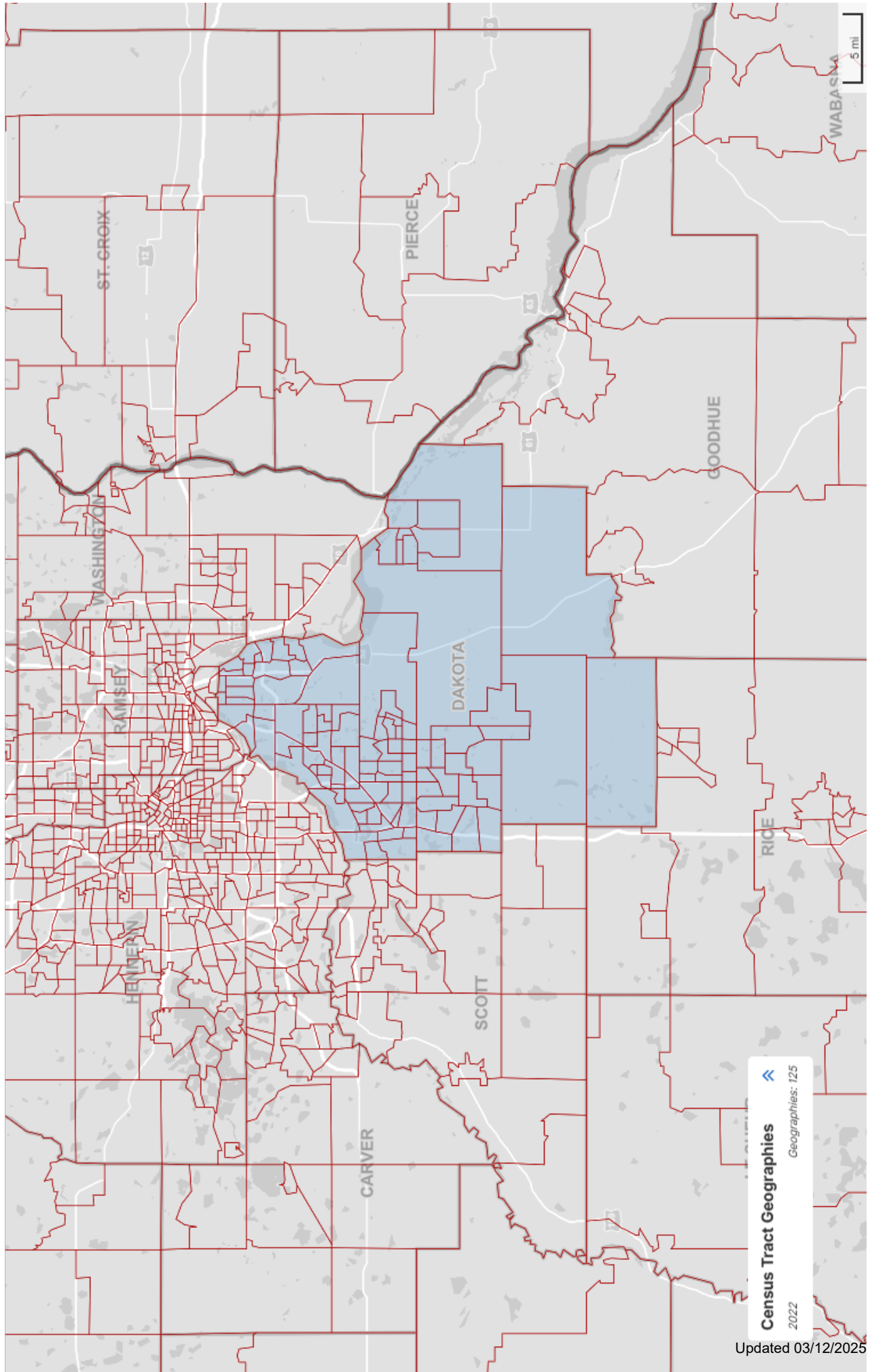
County Geographies



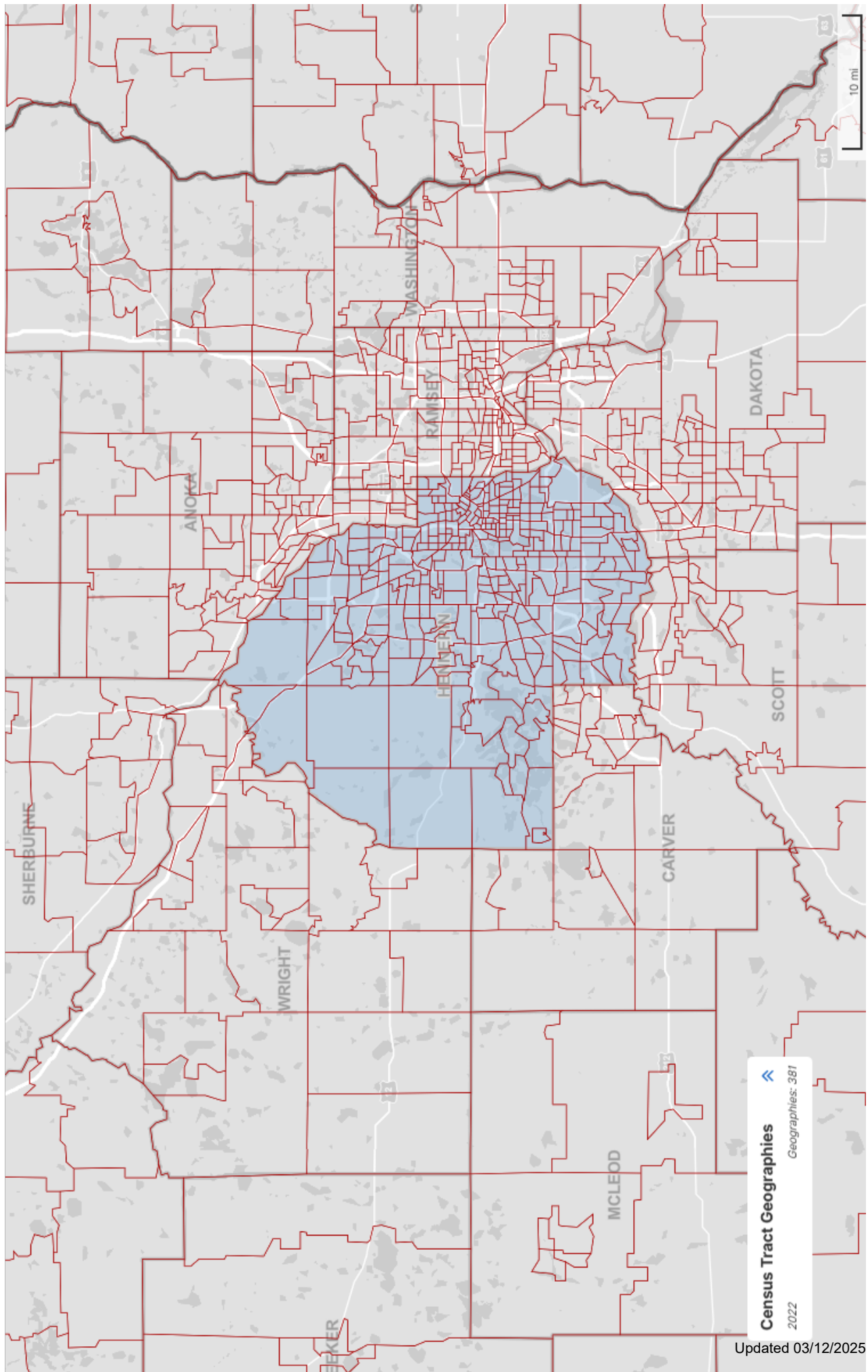
Anoka County Census Tract Geographies



Dakota County Census Tract Geographies

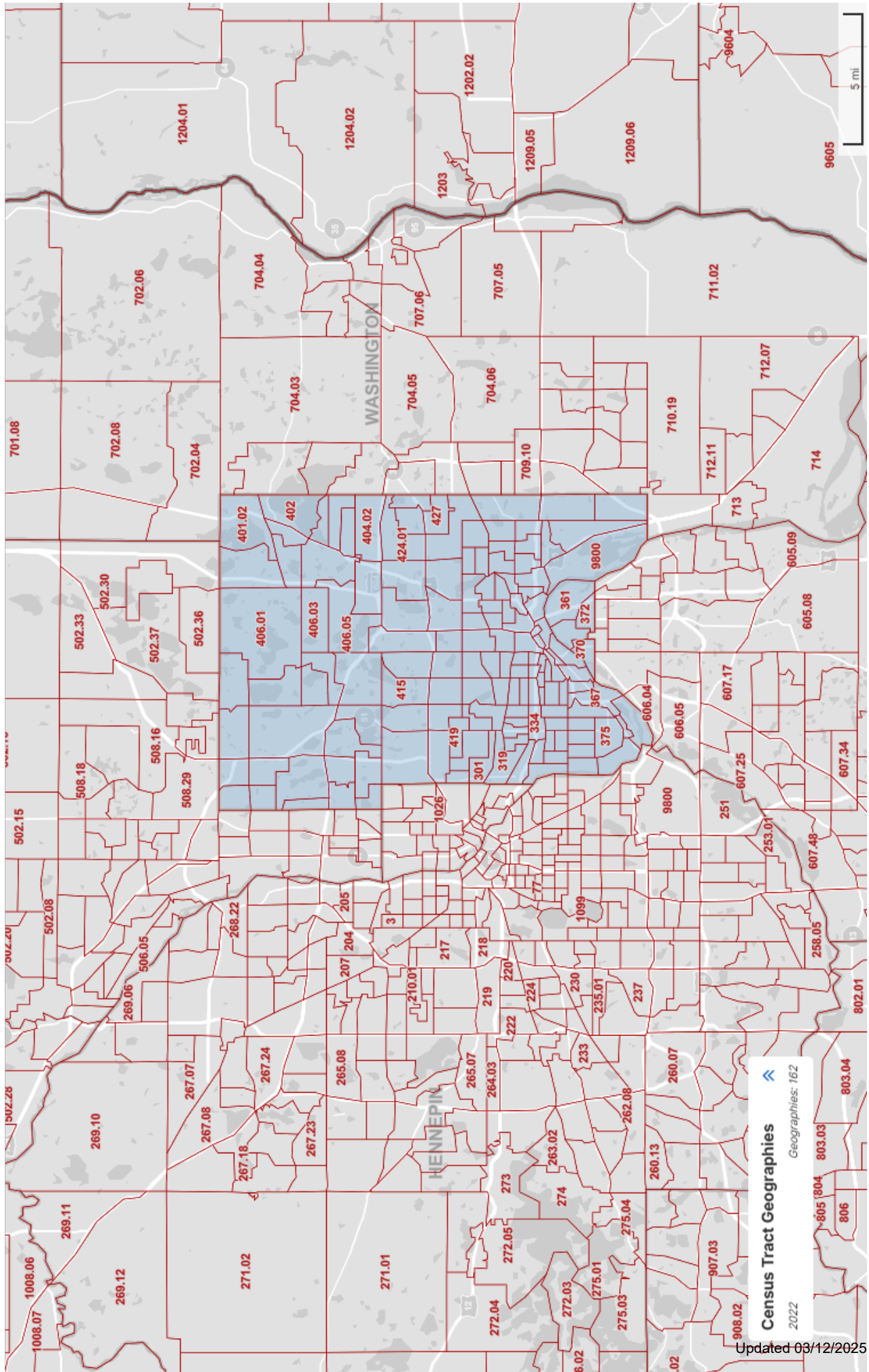


Hennepin County Census Tract Geographies

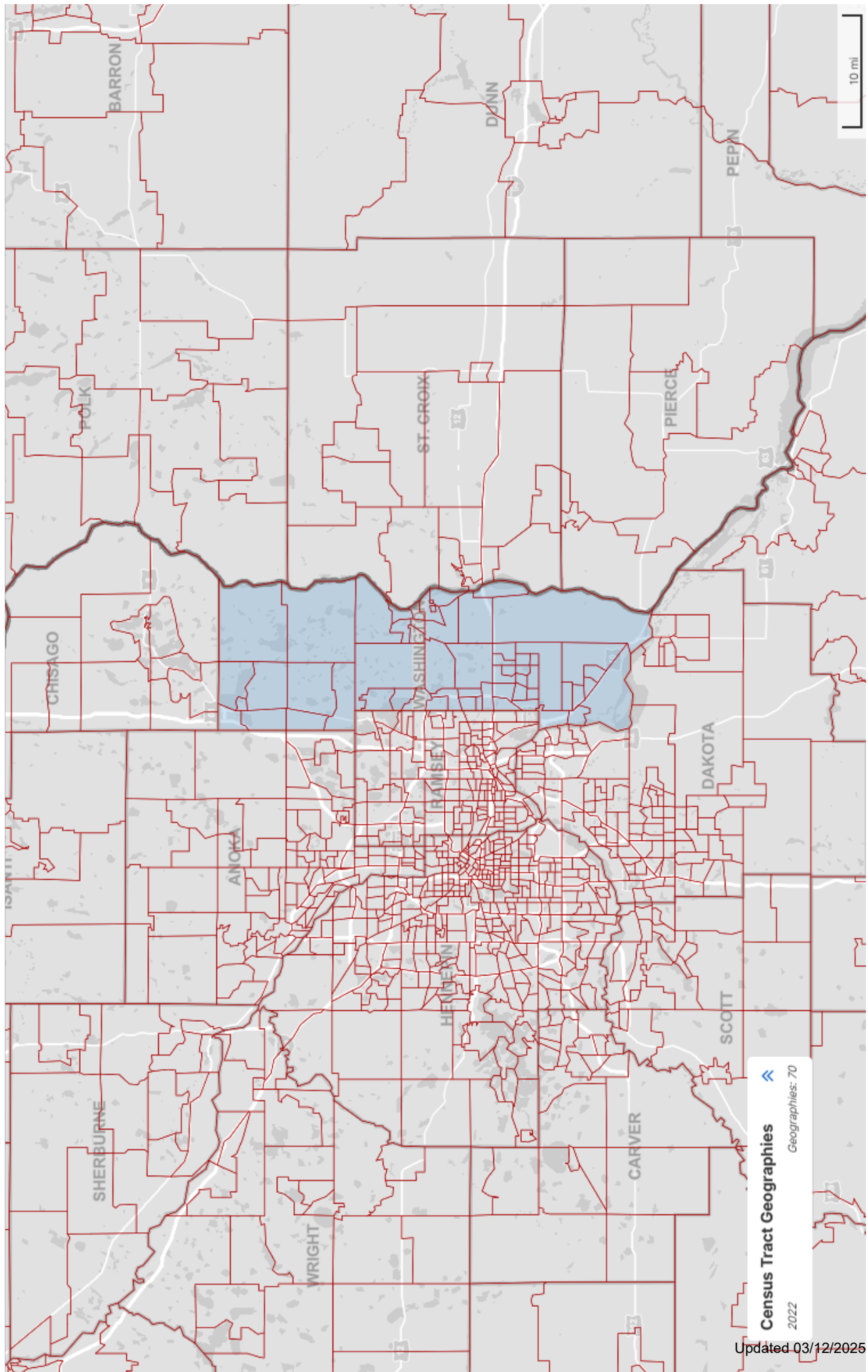


Updated 03/12/2025

Ramsey County Census Tract Geographies



Washington County Census Tract Geographies



B. The Bank currently operates two locations in serving the defined assessment area. They are:

Main Office
114 South Park Street
Fairmont, MN 56031
Phone: 507-235-5556
Fax: 507-235-5630

MSA/MN Code: N/A
State Code: 27
County Code: 091
Tract Code: 7906.00

Branch Office
332 Minnesota Street, Suite E160
St. Paul, MN 55101-1338
Phone: 651-228-9900
Fax: 651-228-9906

MSA/MN Code: 33460
State Code: 27
County Code: 123
Tract Code: 0342.01

The following is a list of branches opened or closed within the current and previous two years.

2024	None Opened None Closed
2023	None Opened None Closed
2022	None Opened None Closed

- C. As a commitment to our current and prospective customers, we make every effort to provide a variety of products and services to assist in meeting their financial needs. One consideration in the delivery of these services is costs. We realize that many more financial products and services may exist in the market place; however, the cost of delivery may be restricted based upon cost of technology, personnel, our geographic location or regulatory burden in some instances.

We feel that we have been successful in meeting the consumer's needs with the following deposit-related services we currently offer:

Everyday Banking
Interest Checking
Golden Opportunity Checking
Platinum Checking
Health Savings Account
Statement Savings
Savers Plus
Small Business Checking
Business Checking
Business Interest Checking
Sweep Account
Business Statement Savings
Savers Plus Business
Minor Statement Savings
Custodial Statement Savings (UTMA)
Certificates of Deposit
Freedom Step-Up Certificates
IRA Savings
IRA Certificates of Deposit
Cash & Check Card
Direct Deposit
Internet Banking

Internet Bill Payment
Mobile Banking
Mobile Deposit
Ready Check Overdraft Protection
e-Statements
Alerts
Imaged Statements
e-Corp Business Internet Banking
Positive Pay for Business
ACH Origination
Merchant Capture
Card Control/Digital Wallet
Credit Cards
(in participation with Elan Financial Services)
Cashier's Checks
Wire Transfers
Notary Services
Safe Deposit Boxes
Gift Cards
Coin Counting
After Hours Deposit

In the true measure of CRA success, meeting the credit needs of the public in our defined assessment area stands out. We are able to accomplish this through the offering of these loan products.

- Agricultural Loans
 - Operating
 - Livestock
 - Equipment
 - Real Estate
 - FSA Guaranteed
 - Rural Finance Authority Participations
 - SBA Guaranteed
- Commercial Loans
 - Small and Large Business Operating
 - Inventory
 - Receivables
 - Equipment (Direct and Indirect)
 - Real Estate
 - SBA Guaranteed
 - FSA Guaranteed
- Residential Real Estate
 - 1-4 Family
 - Home Construction
 - Multiple Family
 - In-House and Secondary Market
(including FHA and VA)
- Consumer and Installment Loans
- Home Improvement Loans
- Home Equity Lines of Credit
- Personal Lines of Credit
- Debt Consolidation Loans
- Ready Check Overdraft Protection
- Auto Loans
- Recreational Vehicle Loans
- Credit Card Accounts
(in participation with Elan Financial Services)

Equally important to you, the customer, is not just the availability of products and services, but at what cost do they come. Included for your review is our most recent list of transaction fees as posted to the general public. Our review date of the list included is as of March 12, 2025.



SERVICES AND PRICING

Limits and Fees: The following fees may be assessed against your account and the following transaction limitations, if any, apply to your account:

Account Activity Printout/Statement Copy (per statement): \$5.00

Account Research/Reconciliation: \$25.00 per hour

Account Closing Fee

If account is closed within 6 months of opening: \$25.00

Debit Card

Foreign ATM fee: ATM machines not owned by FF&M or

MoneyPass network fee: \$1.00 (per transaction)

Overnight Replacement Card: \$100.00

Replacement Card Fee: \$15.00

Temporary Card Fee (per card): \$5.00

Card Limits

\$510 ATM daily limit

\$1,000 point of sale daily limit

(Point of sale limit applies to FF&M Debit Cards only)

Personal Internet Banking: No charge

Bill Pay (per month): \$4.95

First 3 months: no charge

Platinum Checking customers: no charge

Business Internet Banking (eCorp)

Basic eCorp for Business Banking: no charge

Enhanced eCorp for Business Banking (per month): \$21.95

First 3 months: no charge

Bill Pay (per month): \$4.95

First 3 months: no charge

Enhanced eCorp customers: no charge

eCorp Third Party Sender Fee (per month): \$100.00

Merchant Capture

Basic eCorp customers (per month): \$39.95

First 3 months: no charge

Enhanced eCorp customers (per month): \$20.00

First 3 months: no charge

Positive Pay (Enhanced eCorp only)

Check Positive Pay (per month): \$40.00 for first account, \$15.00 per additional account

ACH Positive Pay (per month): \$35.00 for first account, \$15.00 per additional account

Returned Item Fee (per item): \$2.50

Cancellation Fee: \$75.00 if cancelled within first 12 months

Collection Items

Domestic and Foreign Collection Item: \$25.00 (per item)

Paper Statement Fee: \$5.00 per month, effective 30 days after account opening date, fee is waived when you enroll in e-Statements

Miscellaneous Items

Cashier's Check: \$5.00 (per check)

Check Printing: fee depends on style of check ordered

Copy of Imaged Item: \$3.00 (per item)

Counter Check: \$1.00 (per check)

Stop Payment Fee: \$30.00

Effective for six months

Photocopies: \$0.25 (per sheet)

Garnishment/Execution Levy: \$75.00

Deposit of Canadian Checks: \$8.00 (per check)

Personal Money Order: \$5.00

Gift Card (per card): \$3.95

Travel Card (per card): \$5.95

Travel Card Reload Fee: \$2.95

Returned Deposited Item Fee (per check) for Business Accounts only: \$10.00

Deposit Bags - Zippered (each): \$5.00

Deposit Bags - Locked After Hours Bag: \$35.00

Dormant Account Fee (per month for up to 12 months): \$5.00 per month if balance in the account is less than \$50.

Inactive Account: An account is considered inactive after 13 months of no transaction activity. No fee for inactive accounts.

Dormant Account: An account is considered dormant after 18 months of no transaction activity.

Abandoned Account: An account is considered abandoned after receiving one piece of undeliverable mail and all attempts to locate the owner have failed. No fee for abandoned accounts.

Safe Deposit Box

Lost Safe Deposit Box Key: \$30.00

Drilling Safe Deposit Box Fee (minimum): \$200.00 or actual cost if higher

Overdraft Paid Item and NSF Returned Item Charges

Continuous Overdraft Charge: \$3.00 per day

A Continuous Overdraft Charge is assessed every business day the account has a negative balance. Checks and other withdrawals authorized by you which the bank pays as well as previous bank fees may result in a negative balance. This applies to checking and savings accounts.

Overdraft Paid Item Fee (per item): \$25.00

NSF Returned Item Fee (per item): \$25.00

The Overdraft Paid Item fee and NSF Returned Item fee applies to overdrafts created by check, in-person withdrawal, or by other electronic means, as applicable. An item or payment may be presented multiple times and may incur fees each time it is presented; we do not monitor or control the number of times a transaction is presented for payment. This applies to checking and savings accounts. (\$150.00 maximum/day)

Wires

Incoming Wire Transfer fee (Domestic): \$25.00

Incoming Wire Transfer fee (International): \$25.00

Outgoing Wire Transfer fee (Domestic): \$25.00

Outgoing Wire Transfer fee (International): \$75.00

Outgoing International Wires after 1:00 pm Monday through Friday will be processed on the next business day.

Outgoing Domestic Wires after 3:00 pm Monday through Friday will be processed on the next business day.

Incoming Wires received by 4:00 pm Monday through Friday will be processed the same business day.

Main Bank Hours:

Lobby

Monday thru Friday

9:00am - 4:00pm

Drive-up

Monday thru Friday

8:00am - 5:30pm

St. Paul Branch Hours:

Monday thru Friday

8:00am - 4:00pm

- D. Attached is provided a copy of our CRA Public Performance Evaluation conducted by the Comptroller of the Currency on April 1, 2024. This evaluation represents the most recent report completed by our regulatory agency.



PUBLIC DISCLOSURE

April 1, 2024

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

First Farmers & Merchants National Bank
Charter Number 22351

114 South Park, Fairmont, MN 56031

Office of the Comptroller of the Currency

222 South Ninth Street
Suite 800
Minneapolis, MN 55402-3393

NOTE: This document is an evaluation of this institution's record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods, consistent with safe and sound operation of the institution. This evaluation is not, and should not be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion, or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.

Table of Contents

Overall CRA Rating..... 1

Description of Institution..... 2

Scope of the Evaluation..... 2

Discriminatory or Other Illegal Credit Practices Review..... 4

State Rating..... 5

Lending Test 9

Appendix A: Scope of Examination..... A-1

Appendix B: Summary of MMSA and State Ratings..... B-1

Appendix C: Definitions and Common Abbreviations..... C-1

Appendix D: Tables of Performance Data..... D-1

Overall CRA Rating

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

The lending test is rated: Satisfactory.

The major factors that support this rating include:

- A majority of loans are originated or purchased inside the bank's assessment areas (AAs).
- The distribution of loans through geographies of different income levels is reasonable.
- The distribution of loans to borrowers of different income levels, businesses of different sizes, and farms of different sizes is reasonable.
- The loan-to-deposit (LTD) ratio is more than reasonable.

Loan-to-Deposit Ratio

First Farmers & Merchants National Bank's (FF&M Fairmont) LTD ratio is more than reasonable considering the bank's size, financial condition, and the credit needs of their AAs. The bank's LTD ratio averaged 99.33 percent over the 16 quarters since the previous CRA evaluation. The quarterly LTD ratio ranged from a low of 76.28 percent in the fourth quarter of 2020 to a high of 117.11 percent in the fourth quarter of 2019. We compared the bank's LTD ratio to five similarly situated institutions and FF&M Fairmont ranked first out of six banks. Similarly situated institutions are defined as institutions with similar asset-size and operating in at least one of the bank's AAs. The following table shows the bank's LTD ratio compared to similarly situated institutions.

Loan-to-Deposit Ratio		
Institution	Total Assets* (\$000s)	Average LTD Ratio** (%)
First Farmers & Merchants National Bank	131,978	99.33
Drake Bank	205,907	97.24
State Bank of Fairmont	132,160	85.34
Security State Bank of Marine	195,261	71.86
Key Community Bank	95,359	68.08
Farmers State Bank of Trimont	82,178	61.41
Source: Call Report Data		
*Total Assets as of December 31, 2022		
**Average LTD ratios cover the period January 1, 2019, through December 31, 2022		

Lending in Assessment Area

A majority of the bank's loans are inside its AAs. The bank originated and purchased 80.0 percent by number and 54.9 percent by dollar of its total loans inside the bank's AAs during the evaluation period. This analysis is performed at the bank, rather than the AA, level. The following table shows the bank's lending performance inside and outside its AAs.

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	33	82.5	7	17.5	40	4,861	85.0	855	15.0	5,716
Small Business	65	81.3	15	18.8	80	11,219	53.5	9,745	46.5	20,964
Small Farm	30	75.0	10	25.0	40	5,675	43.8	7,279	56.2	12,953
Total	128	80.0	32	20.0	160	21,755	54.9	17,879	45.1	39,633
Source: Bank Data from January 1, 2020, to December 31, 2022 Due to rounding, totals may not equal 100.0%										

Description of Institution

FF&M Fairmont is a single-state, national bank headquartered in Fairmont, MN. The bank had total assets of \$132 million as of December 31, 2022. The bank has two branches, one in Fairmont and one in St. Paul. There were no mergers, acquisitions, branch openings, or branch closings since the last CRA evaluation. The bank does not have any deposit-taking ATMs. FF&M Fairmont is wholly owned by 215 holding company, a multibank holding company located in Minneapolis, MN.

FF&M Fairmont's rating area is the State of Minnesota. The bank has two AAs in the state of Minnesota, including the Fairmont AA and the St Paul AA. The St Paul AA is in the Minneapolis-St Paul-Bloomington Metropolitan Statistical Area (MSA) consisting of Dakota, Hennepin, Ramsey, and Washington counties and the Fairmont AA is a non-MSA AA consisting of Martin County.

FF&M Fairmont is a full-service bank offering traditional loan and deposit products. Deposit products include checking, savings, certificates of deposit, health savings accounts, and retirement savings accounts. Loan product offerings include fixed and variable agriculture real estate, business operating lines of credit, residential real estate, home equity lines of credit, and auto installment loans.

The bank's primary lending focus is home mortgage, commercial, and agricultural loans. As of December 31, 2022, the bank's loan portfolio totaled \$107.3 million, or 81.3 percent of total assets. Total loans and unused commitments totaled \$141.8 million, or 107.5 percent of total assets. The loan portfolio, including loans and unused commitments, by dollar volume is comprised of 46.8 percent commercial, 27.7 percent home mortgage, 21.8 percent agricultural, and 4.2 percent consumer loans. Tier 1 Capital totaled \$12.34 million as of December 31, 2022.

There are no legal, financial, or other factors impeding the bank's ability to meet the credit needs in its AAs. FF&M Fairmont was rated Satisfactory at the last CRA evaluation dated December 2, 2019.

Scope of the Evaluation

Evaluation Period/Products Evaluated

FF&M Fairmont was evaluated under the CRA small bank performance standards. The time period for the LTD ratio analysis is January 1, 2019, to December 31, 2022, and the complaint analysis period

covered December 2, 2019, to April 1, 2024. The evaluation period for the remaining portions of the lending test covered January 1, 2020, to December 31, 2022.

To determine the bank's lending performance in its AAs, we selected primary products for each AA based on the number and dollar volume of loan originations and purchases during the evaluation period. Due to a change in census data that occurred after 2021 and affected the bank's AAs, we reviewed samples for 2020-2021 separately from 2022. We determined the primary products for the Fairmont AA to be farm and business loans and the primary products for the St. Paul AA to be home mortgage and business loans. We selected an initial sample of 20 loans for each primary product within each AA for 2020-2021 and for 2022. We then selected additional loans as needed to have sufficient information to analyze borrower and geographic distributions in each AA. The table below shows the breakdown of loan originations by product type for each AA.

Loan Origination by Product Type (Fairmont AA)		
	Percentage by Number of Loans	Percentage by Dollar Volume
Agriculture	30.3	40.1
Commercial	30.5	44.3
Consumer	21.2	3.9
Home	18.0	11.7
Total	100.0	100.0
<i>Source: Bank Data; Due to rounding, totals may not equal 100%</i>		

Loan Origination by Product Type (St. Paul AA)		
	Percentage by Number of Loans	Percentage by Dollar Volume
Agriculture	0.0	0.0
Commercial	32.2	62.9
Consumer	24.8	13.7
Home	43.0	23.4
Total	100.0	100.0
<i>Source: Bank Data; Due to rounding, totals may not equal 100%</i>		

We also reviewed the financial, economic, and environmental factors in the AAs to determine the bank's lending performance. Additionally, we contacted a local community member with knowledge of the economic conditions and demographics within each AA to gain an understanding of the credit needs of the AAs.

Selection of Areas for Full-Scope Review

The Fairmont and St. Paul AAs were both selected for full-scope reviews. Refer to Appendix A, Scope of Examination, for additional information.

Ratings

The bank's overall rating is based entirely on the lending performance in the state of Minnesota. The state of Minnesota performance is based on the performance in the Fairmont AA and the St. Paul AA. We evaluated lending performance using the following performance criteria: the LTD ratio, lending the AAs, lending to borrowers of different income levels, lending to businesses and farms of different sizes, distribution of loans to geographies of different income levels, and responses to CRA-related complaints. The bank's lending performance rating is weighted based on branch locations, deposit volumes, and lending volumes in each AA during the evaluation period. Performance in the Fairmont

AA carries a 61 percent weight, while the St. Paul AA carries a 39 percent weight. Additionally, the 2020-2021 lending test carries more weight due to the higher lending activity compared to the 2022 sample.

Discriminatory or Other Illegal Credit Practices Review

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

The OCC has not identified that this institution (or any affiliate whose loans have been considered as part of the institution's lending performance) has engaged in discriminatory or other illegal credit practices that require consideration in this evaluation.

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

State Rating

State of Minnesota

CRA rating for the State of Minnesota: Satisfactory

The Lending Test is rated: Satisfactory

The major factors that support this rating include:

- The distribution of loans through geographies of different income levels is reasonable.
- The distribution of loans to borrowers of different income levels, businesses of different sizes, and farms of different sizes is reasonable.
- The bank received no CRA related complaints during the evaluation period.

Description of Institution's Operations in Minnesota

Fairmont AA

The Fairmont AA is comprised entirely of Martin County. The AA contained six census tracts (CTs) in 2020 and 2021, wholly consisting of middle-income tracts designated as underserved remote rural CTs. In 2022, the number of CTs within the Fairmont AA increased to seven, comprised of one moderate-income, five middle-income, and one upper-income CT(s). In 2022, the five middle-income CTs were designated as underserved remote rural CTs.

Competition within the AA is high given the size of the market. As of June 30, 2022, there were 11 financial institutions operating within the Fairmont AA. According to the June 30, 2022, FDIC Deposit Market Share Report, FF&M Fairmont ranked fifth with \$72.8 million or 7.39 percent of the Fairmont AA's deposit share. Profinium Inc, Bank Midwest, and State Bank of Fairmont hold the largest shares of the deposit market at 28.89 percent, 20.26 percent, and 11.63 percent, respectively. All other institutions hold less than 9.0 percent of the deposits within the Fairmont AA.

The Fairmont AA's economic conditions were less impacted by the COVID-19 pandemic than Minnesota. According to the U.S. Bureau of Labor Statistics, the unemployment rate during 2020 averaged 5.4 percent in Martin County compared to the statewide average of 6.3 percent. The unemployment rate in Martin County and Minnesota reached a peak in May 2020 at 8.7 percent and 11.2 percent, respectively. Unemployment rates recovered at a similar rate as the state throughout the evaluation period with Martin County averaging 3.5 percent in 2021 and 2.7 percent in 2022. Comparatively, Minnesota averaged an unemployment rate of 3.7 percent in 2021 and 2.6 percent in 2022.

As part of this evaluation, we contacted a community member representing economic development within the Fairmont AA. The contacted stated that economic conditions are relatively stable with agriculture as the driver for economic growth. Agriculture is supported by a homegrown manufacturing and retail sector that serves the broader regional area. The contact determined housing inventory as the primary issue facing the area, but stated the local banks are doing an admirable job of the meeting the community's needs. The contact specifically mentioned FF&M Fairmont, among other institutions, as working to meet community needs through lending, serving on non-profit boards, community volunteering, donations, and participation in local government.

The following tables provide demographic information within the Fairmont AA.

Table A – Demographic Information of the Assessment Area						
Assessment Area: Fairmont AA 2020-2021						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	6	0.0	0.0	100.0	0.0	0.0
Population by Geography	20,350	0.0	0.0	100.0	0.0	0.0
Housing Units by Geography	9,970	0.0	0.0	100.0	0.0	0.0
Owner-Occupied Units by Geography	6,513	0.0	0.0	100.0	0.0	0.0
Occupied Rental Units by Geography	2,318	0.0	0.0	100.0	0.0	0.0
Vacant Units by Geography	1,139	0.0	0.0	100.0	0.0	0.0
Businesses by Geography	1,773	0.0	0.0	100.0	0.0	0.0
Farms by Geography	381	0.0	0.0	100.0	0.0	0.0
Family Distribution by Income Level	5,640	18.1	17.7	25.6	38.6	0.0
Household Distribution by Income Level	8,831	23.8	15.3	18.9	41.9	0.0
Median Family Income Non-MSAs - MN		\$63,045	Median Housing Value			\$104,910
			Median Gross Rent			\$679
			Families Below Poverty Level			8.4%
Source: 2015 ACS and 2021 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.						

Table A – Demographic Information of the Assessment Area						
Assessment Area: Fairmont AA 2022						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	7	0.0	14.3	71.4	14.3	0.0
Population by Geography	20,025	0.0	21.8	69.3	9.0	0.0
Housing Units by Geography	9,953	0.0	21.1	69.1	9.8	0.0
Owner-Occupied Units by Geography	6,484	0.0	14.9	74.9	10.2	0.0
Occupied Rental Units by Geography	2,340	0.0	43.9	50.4	5.7	0.0
Vacant Units by Geography	1,129	0.0	9.7	74.3	16.0	0.0
Businesses by Geography	1,978	0.0	30.0	61.7	8.3	0.0
Farms by Geography	404	0.0	4.2	90.3	5.4	0.0
Family Distribution by Income Level	5,452	19.6	21.0	22.0	37.4	0.0
Household Distribution by Income Level	8,824	23.8	19.3	18.7	38.2	0.0
			Median Gross Rent			\$670
			Families Below Poverty Level			9.2%
Median Family Income Non-MSAs - MN		\$74,737	Median Housing Value			\$121,745
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.						

St. Paul AA

The St. Paul AA is comprised of Dakota, Hennepin, Ramsey, and Washington counties, with bank's physical location in Ramsey County. The AA spanned 581 contiguous CTs within the Minneapolis-St. Paul-Bloomington MSA in 2020-21. The CTs within the AA in 2020-21 were comprised of 54 low-, 128 moderate-, 230 middle-, 162 upper-income, and 7 CTs with no income classification assigned. In 2022, the CTs within the AA increased to 637 and consisted of 48 low-, 137 moderate-, 249 middle-, 192 upper-income, and 11 CTs with no income classification assigned.

Competition within the St. Paul AA is significant. As of June 30, 2022, there were 99 financial institutions within the St. Paul AA. According to the June 30, 2022, FDIC Deposit Market Share Report, FF&M Fairmont ranked 83rd with \$33.3 million or 0.02 percent of the St. Paul AA's deposit share. U.S. Bank and Wells Fargo hold a combined 65.44 percent of the deposit share within the AA. All other institutions hold less than 8.0 percent of the deposits with the St. Paul AA.

Covid-19's economic impact to the area aligned with the state of Minnesota in Dakota and Washington counties and was impacted to a greater degree in Hennepin and Ramsey counties. Ramsey County, home to the bank's physical location, was most heavily impacted through the pandemic. Ramsey County's unemployment peaked at 12.6 percent during May 2022, 1.4 percent higher than the peak unemployment in the rest of Minnesota. Comparatively, Dakota, Hennepin, and Washington counties unemployment peaked at 11.7 percent, 12.2 percent, and 10.6 percent, respectively. Following the pandemic, Minnesota's unemployment recovered to a 2023 average of 2.6 percent with Dakota (2.4 percent), Hennepin (2.5 percent), Ramsey (2.7 percent), and Washington (2.3 percent) making similar recoveries.

As part of this evaluation, we contacted a community member whose organization focuses on providing affordable housing throughout Minnesota. We focused specifically on the conditions of Ramsey County due to the bank's location, the severity of impact from the pandemic, and the representation of LMI geographies. The contact stated Ramsey County has a large population of low-income families. Throughout the evaluation period the cost of renting and owning a home led to an increase in wealth disparities and increasing evictions post-pandemic. The contacted noted the area is primarily residential and is in need of affordable housing. The contact mentioned the city of St. Paul is working towards developing creative approaches for home mortgage lending and subsidies are growing for affordable housing programs. There is a desire within the community for banks to increase their role in affordable housing and they are becoming more involved in this activity. Many banks have increased their homeownership initiatives with flexible programing and supplied capital. The contact said large banks have monopolized many of the opportunities and initiatives, but smaller community are beginning to participate more as subsidies and programs increase.

The following tables provide demographic information within the Fairmont AA.

Table A – Demographic Information of the Assessment Area						
Assessment Area: St Paul AA 2020-2021						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
		Median Gross Rent				\$963
		Families Below Poverty Level				7.8%
Median Family Income MSA - 33460 Minneapolis-St. Paul-Bloomington, MN-WI MSA		\$84,589	Median Housing Value			\$234,849
Household Distribution by Income Level	944,451	25.1	16.2	17.9	40.7	0.0
Geographies (Census Tracts)	581	9.3	22.0	39.6	27.9	1.2
Family Distribution by Income Level	579,603	21.4	16.8	21.2	40.7	0.0
Farms by Geography	4,982	3.1	14.6	43.8	38.5	0.1
Businesses by Geography	273,856	6.4	18.0	40.2	35.0	0.4
Vacant Units by Geography	48,905	11.8	24.0	38.6	24.6	1.0
Occupied Rental Units by Geography	325,124	14.9	29.9	37.5	16.7	1.0
Owner-Occupied Units by Geography	619,327	3.0	15.8	42.8	38.3	0.1
Housing Units by Geography	993,356	7.3	20.8	40.9	30.6	0.4
Population by Geography	2,380,313	8.0	20.4	39.2	31.9	0.4
Source: 2015 ACS and 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.						

Table A – Demographic Information of the Assessment Area						
Assessment Area: St Paul AA 2022						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Median Family Income MSA - 33460 Minneapolis-St. Paul-Bloomington, MN-WI MSA		\$103,977	Median Housing Value			\$293,901
			Median Gross Rent			\$1,169
			Families Below Poverty Level			5.7%
Household Distribution by Income Level	983,575	24.3	16.9	18.3	40.5	0.0
Family Distribution by Income Level	596,532	20.2	17.7	21.5	40.6	0.0
Farms by Geography	5,556	2.8	15.3	41.7	39.8	0.3
Businesses by Geography	321,559	5.2	17.9	38.3	37.6	1.0
Vacant Units by Geography	44,688	9.5	22.3	35.7	31.2	1.3
Occupied Rental Units by Geography	335,141	12.5	28.8	35.6	20.9	2.2
Owner-Occupied Units by Geography	648,434	3.2	16.3	43.5	36.9	0.1
Housing Units by Geography	1,028,263	6.5	20.7	40.6	31.4	0.8
Population by Geography	2,541,367	7.1	20.6	39.4	31.9	1.1
Geographies (Census Tracts)	637	7.5	21.5	39.1	30.1	1.7
Source: 2020 U.S. Census and 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.						

Scope of Evaluation in Minnesota

The Minnesota state rating is based entirely on the full-scope reviews of the Fairmont AA and St. Paul AA. The Fairmont AA received the most weight in the evaluation due to the volume of deposits and loan originations within the AA. Additionally, lending tests for 2020-2021 held more weight in the evaluation compared to 2022 due to the increased lending activity during this period.

LENDING TEST

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

Based on a full-scope review, the bank's lending performance in the state of Minnesota is reasonable.

Distribution of Loans by Income Level of the Geography

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

Home Mortgage Loans

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

St. Paul AA

During the 2020-2021 analysis period, the geographic distribution of loans to borrowers in geographies of different income levels is reasonable. The percentage of home mortgage loans made in low-income geographies was below the demographic of owner-occupied housing units and the aggregate lending percentage in 2020-2021. However, the demographic comparator is low, which is indicative of few lending opportunities to low-income geographies within the AA. Based on the 2015 Census Bureau Data 35.3 percent of families located in a low-income CT within the AA are below the poverty level and 15.4 percent are receiving public assistance. The bank's proportion of home mortgage loans made in moderate-income geographies exceeds the demographic and aggregate lending performance in 2020-2021.

During the 2022 analysis period, the geographic distribution of home mortgages to borrowers in low- or moderate-income (LMI) geographies is poor. The proportion of home mortgage loans made in low-income geographies exceeds the demographic and the aggregate lending performance. The proportion of home mortgage loans made in moderate-income geographies is significantly below the proportion of owner-occupied housing units and the aggregate lending percentage.

Small Loans to Businesses

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

Fairmont AA

The geographic analysis during 2020-2021 was not meaningful as there were no LMI geographies during the period.

During the 2022 analysis period, the geographic distribution of loans to businesses in different income level CTs is excellent. The percent of loans to businesses located in moderate-income geographies significantly exceeded the demographic comparator and aggregate lending performance. There were no low-income geographies in the AA during 2022.

St. Paul AA

During the 2020-2021 analysis period, the geographic distribution of loans to businesses in different income level CTs is reasonable. The percentage of commercial loans made in low-income geographies is below the demographic and aggregate lending. There are low-income CTs in close proximity to the bank's location, but the CTs consist of primarily residential neighborhoods with limited opportunities for small business lending. Additionally, competition in the area is strong with over 15 financial institutions within five miles of FF&M Fairmont, and many of the institutions are closer to the low-income geographies. The percentage of commercial loans originated in moderate-income geographies significantly exceeded the demographic comparator and aggregate lending performance.

In 2022, the bank's geographic distribution of loans to businesses in LMI geographies is excellent. The percentage of loans to businesses in low-income CTs is near to the business demographic and exceeds the aggregate lending performance. The proportion of business loans originated in moderate-income geographies significantly exceeded the demographic and aggregate lending performance comparators.

Small Loans to Farms

Refer to Table S in the state of Minnesota section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's originations and purchases of small loans to farms.

Fairmont AA

The geographic distribution of farm loans across different income level geographies is not meaningful. The AA did not contain a low- or moderate-income (LMI) geography in 2020-2021, and LMI geographies containing farms were insignificant in 2022.

Distribution of Loans by Income Level of the Borrower

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

Home Mortgage Loans

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

St. Paul AA

During the 2020-21 analysis period, the distribution of home mortgage loans to LMI borrowers is reasonable after considering performance context. The percentage of loans to low-income borrowers is significantly lower than the demographic of low-income families but exceeds the aggregate lending performance. Additionally, the percentage of loans to moderate-income borrowers is somewhat below than the demographic and significantly below the aggregate lending performance.

In 2022, the distribution of home mortgage loans to LMI borrowers is poor. The proportion of loans to low-income borrowers is significantly below the proportion of low-income families and somewhat below the aggregate lending performance. The proportion of loans to moderate-income borrowers is significantly below the moderate-income family demographic and aggregate lending performance.

A community contact for an affordable housing-focused non-profit in Ramsey County, where the bank is physically located, noted the county as extremely low-income, when compared to the rest of the twin cities metro area. An affordable housing crisis was used to describe the county's housing market. Additionally, the contact stated racial and wealth disparities were increasing during the evaluation period. The increasing economic disparities coupled with the county's affordable housing crisis, limited opportunities to originate mortgage loans to low-income borrowers during the evaluation period.

Small Loans to Businesses

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

Fairmont AA

During the 2020-2021 and 2022 analysis periods, the distribution of loans to businesses of different sizes is reasonable. The bank's proportion of loans to small businesses is near to the demographic proportion of small businesses, and significantly exceeds the aggregate lending performance in both analysis periods.

St. Paul AA

During the 2020-2021 and 2022 analysis period, the distribution of loans to businesses of different sizes is reasonable. The percentage of loans to small business is below the small business demographic comparator but exceeds the aggregate lending performance in each analysis period.

Small Loans to Farms

Refer to Table T in the state of Minnesota section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's originations and purchases of small loans to farms.

Fairmont AA

During the 2020-2021 and 2022 analysis, the distribution of loans to farms of different sizes is excellent. The percent of loans to small farms with revenues less than or equal to one million is lower than the small farm demographic. However, there are many hobby or retirement farms in the assessment area that do not require regular lending for operations, which is shown in the significant difference between the small farm demographic and aggregate lending performance to small farms. The bank's originations to small farms significantly exceed the aggregate lending performance in each analysis period.

Responses to Complaints

The bank received no CRA related complaints during the evaluation period.

Appendix A: Scope of Examination

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

Time Period Reviewed:	01/01/2020 to 12/31/22	
Bank Products Reviewed:	Home mortgage, small business, and small farm	
Affiliate(s)	Affiliate Relationship	Products Reviewed
None	N/A	N/A
List of Assessment Areas and Type of Examination		
Rating and Assessment Areas	Type of Exam	Other Information
Minnesota		
Fairmont AA	Full-scope	Martin County
St. Paul AA	Full-scope	Dakota, Hennepin, Ramsey, and Washington counties

Appendix B: Summary of MMSA and State Ratings

RATINGS - First Farmers & Merchants, Fairmont	
Overall Bank:	Lending Test Rating
First Farmers & Merchants	Satisfactory
MMSA or State:	
Minnesota	Satisfactory

Appendix C: Definitions and Common Abbreviations

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

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

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

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

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

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

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

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

Family: Includes a householder and one or more other persons living in the same household who are related to the householder by birth, marriage, or adoption. The number of family households always equals the number of families; however, a family household may also include non-relatives living with the family. Families are classified by type as either a married-couple family or other family, which is

further classified into ‘male householder’ (a family with a male householder and no wife present) or ‘female householder’ (a family with a female householder and no husband present).

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

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

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

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

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

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

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

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

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

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

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

Metropolitan Statistical Area: An area, defined by the Office of Management and Budget, as a core based statistical area associated with at least one urbanized area that has a population of at least 50,000. The Metropolitan Statistical Area comprises the central county or counties containing the core, plus

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

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

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

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

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

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

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

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

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

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

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

Appendix D: Tables of Performance Data

Content of Standardized Tables

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

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

- Table O. Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography** - Compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of owner-occupied housing units throughout those geographies. The table also presents aggregate peer data for the years the data is available.
- Table P. Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower** - Compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage distribution of families by income level in each MMSA/assessment area. The table also presents aggregate peer data for the years the data is available.
- Table Q. Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography** - The percentage distribution of the number of small loans (less than or equal to \$1 million) to businesses that were originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of businesses (regardless of revenue size) in those geographies. Because aggregate small business data are not available for geographic areas smaller than counties, it may be necessary to compare bank loan data to aggregate data from geographic areas larger than the bank’s assessment area.
- Table R. Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenue** - Compares the percentage distribution of the number of small loans (loans less than or equal to \$1 million) originated and purchased by the bank to businesses with revenues of \$1 million or less to: 1) the percentage distribution of businesses with revenues of greater than \$1 million; and, 2) the percentage distribution of businesses for which revenues are not available. The table also presents aggregate peer small business data for the years the data is available.
- Table S. Assessment Area Distribution of Loans to Farms by Income Category of the Geography** - The percentage distribution of the number of small loans (less than or equal to \$500,000) to farms originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of farms (regardless

The total loan amount presented in the tables for each assessment area may differ from the total loan amount reported in the aggregate table due to how the underlying loan data is rounded in each table.

of revenue size) throughout those geographies. The table also presents aggregate peer data for the years the data is available. Because aggregate small farm data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank’s assessment area.

Table T. Assessment Area Distribution of Loans to Farms by Gross Annual Revenues -
Compares the percentage distribution of the number of small loans (loans less than or equal to \$500 thousand) originated and purchased by the bank to farms with revenues of \$1 million or less to: 1) the percentage distribution of farms with revenues of greater than \$1 million; and 2) the percentage distribution of farms for which revenues are not available. The table also presents aggregate peer small farm data for the years the data is available.

The total loan amount presented in the tables for each assessment area may differ from the total loan amount reported in the aggregate table due to how the underlying loan data is rounded in each table.

Table O: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography																			2020-21
Assessment Area:	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$ (000s)	% of Total	Overall Market	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate
St Paul AA	20	2,489	100.00	162,748	3.0	0.0	3.3	15.8	20.0	14.8	42.8	25.0	41.7	38.3	55.0	40.0	0.1	0.0	0.1
Total	20	2,489	100.0	162,748	3.0	0.0	3.3	15.8	20.0	14.8	42.8	25.0	41.7	38.3	55.0	40.0	0.1	0.0	0.1
Source: 2015 ACS; 01/01/2020 - 12/31/2021 Bank Data, 2021 HMDA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%																			
First Farmers & Merchants Nati (10000022351) excluded from Aggregate																			

Table O: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography																			2022
Assessment Area:	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$ (000s)	% of Total	Overall Market	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate
St Paul AA	37	6,701	100.0	80,437	3.2	5.4	4.1	16.3	0.0	17.8	43.5	35.1	41.1	36.9	59.5	36.8	0.1	0.0	0.2
Total	37	6,701	100.0	80,437	3.2	5.4	4.1	16.3	0.0	17.8	43.5	35.1	41.1	36.9	59.5	36.8	0.1	0.0	0.2
Source: 2020 U.S. Census; 01/01/2022 - 12/31/2022 Bank Data, 2022 HMDA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%																			
First Farmers & Merchants Nati (10000022351) excluded from Aggregate																			

The total loan amount presented in the tables for each assessment area may differ from the total loan amount reported in the aggregate table due to how the underlying loan data is rounded in each table.

Table P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower																			2020-21
	Total Home Mortgage Loans				Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers		
Assessment Area:	#	\$ (000s)	% of Total	Overall Market	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate
St Paul AA	20	2,489	100.0	162,748	21.4	10.0	8.7	16.8	10.0	20.4	21.2	10.0	21.0	40.7	70.0	33.4	0.0	0.0	16.6
Total	20	2,489	100.0	162,748	21.4	10.0	8.7	16.8	10.0	20.4	21.2	10.0	21.0	40.7	70.0	33.4	0.0	0.0	16.6
Source: 2015 ACS ; 01/01/2020 - 12/31/2021 Bank Data, 2021 HMDA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%																			
First Farmers & Merchants Nati (10000022351) excluded from Aggregate																			

Table P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower																			2022
	Total Home Mortgage Loans				Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers		
Assessment Area:	#	\$	% of Total	Overall Market	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate
St Paul AA	37	6,701	100.0	80,437	20.2	2.7	11.2	17.7	8.1	23.1	21.5	24.3	20.8	40.6	64.9	28.9	0.0	0.0	16.0
Total	37	6,701	100.0	80,437	20.2	2.7	11.2	17.7	8.1	23.1	21.5	24.3	20.8	40.6	64.9	28.9	0.0	0.0	16.0
Source: 2020 U.S. Census ; 01/01/2022 - 12/31/2022 Bank Data, 2022 HMDA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%																			
First Farmers & Merchants Nati (10000022351) excluded from Aggregate																			

The total loan amount presented in the tables for each assessment area may differ from the total loan amount reported in the aggregate table due to how the underlying loan data is rounded in each table.

Table Q: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography																			2020-21
Assessment Area:	Total Loans to Small Businesses				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$ (000s)	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate
Fairmont AA	20	2,452	50.0	188	0.0	0.0	0.0	0.0	0.0	0.0	100.0	100.0	100.0	0.0	0.0	0.0	0.0	0.0	0.0
St Paul AA	20	4,109	50.0	66,412	6.4	0.0	6.4	18.0	40.0	17.4	40.2	30.0	39.9	35.0	30.0	35.8	0.4	0.0	0.5
Total	40	6,561	100.0	66,600	6.4	0.0	6.4	17.9	20.0	17.4	40.6	65.0	40.1	34.8	15.0	35.7	0.4	0.0	0.5
Source: 2021 D&B Data; 01/01/2020 - 12/31/2021 Bank Data; 2021 CRA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%																			
First Farmers & Merchants Nati (10000022351) excluded from Aggregate																			

Table Q: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography																			2022
Assessment Area:	Total Loans to Small Businesses				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate
Fairmont AA	20	1,859	50.0	235	0.0	0.0	0.0	30.0	50.0	36.1	61.7	45.0	52.1	8.3	5.0	10.5	0.0	0.0	1.3
St Paul AA	20	6,608	50.0	58,808	5.2	5.0	4.5	17.9	25.0	16.9	38.3	50.0	38.8	37.6	20.0	38.7	1.0	0.0	1.2
Total	40	8,467	100.0	59,043	5.1	2.5	4.5	18.0	37.5	16.9	38.4	47.5	38.8	37.4	12.5	38.6	1.0	0.0	1.2
Source: 2022 D&B Data; 01/01/2022 - 12/31/2022 Bank Data; 2022 CRA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%																			
First Farmers & Merchants Nati (10000022351) excluded from Aggregate																			

The total loan amount presented in the tables for each assessment area may differ from the total loan amount reported in the aggregate table due to how the underlying loan data is rounded in each table.

Table R: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues											2020-21
Assessment Area:	Total Loans to Small Businesses				Businesses with Revenues <= 1MM			Businesses with Revenues > 1MM		Businesses with Revenues Not Available	
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans
Fairmont AA	20	2,452	50.0	188	80.6	70.0	51.1	5.1	20.0	14.3	10.0
St Paul AA	20	4,109	50.0	66,412	87.7	70.0	50.2	4.6	30.0	7.7	0.0
Total	40	6,561	100.0	66,600	87.7	70.0	50.2	4.6	25.0	7.7	5.0
<i>Source: 2021 D&B Data; 01/01/2020 - 12/31/2021 Bank Data; 2021 CRA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%</i>											
<i>First Farmers & Merchants Nati (10000022351) excluded from Aggregate</i>											

Table R: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues											2022
Assessment Area:	Total Loans to Small Businesses				Businesses with Revenues <= 1MM			Businesses with Revenues > 1MM		Businesses with Revenues Not Available	
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans
Fairmont AA	20	1,880	50.0	235	82.1	75.0	51.7	4.6	25.0	13.3	0.0
St Paul AA	20	6,608	50.0	58,808	89.3	65.0	49.4	3.8	35.0	6.9	0.0
Total	40	8,488	100.0	59,043	89.3	70.0	49.4	3.8	30.0	6.9	0.0
<i>Source: 2022 D&B Data; 01/01/2022 - 12/31/2022 Bank Data; 2022 CRA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%</i>											
<i>First Farmers & Merchants Nati (10000022351) excluded from Aggregate</i>											

The total loan amount presented in the tables for each assessment area may differ from the total loan amount reported in the aggregate table due to how the underlying loan data is rounded in each table.

Table S - Assessment Area Distribution of Loans to Farms by Income Category of the Geography																			2020-21
Assessment Area:	Total Loans to Farms				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$	% of Total	Overall Market	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	Aggregate
Fairmont AA	20	3,536	100.0	62	0.0	0.0	0.0	0.0	0.0	0.0	100.0	100.0	100.0	0.0	0.0	0.0	0.0	0.0	0.0
Total	20	3,536	100.0	62	0.0	0.0	0.0	0.0	0.0	0.0	100.0	100.0	100.0	0.0	0.0	0.0	0.0	0.0	0.0
Source: 2021 D&B Data; 01/01/2020 - 12/31/2021 Bank Data; 2021 CRA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%																			
First Farmers & Merchants Nati (10000022351) excluded from Aggregate																			

Table S - Assessment Area Distribution of Loans to Farms by Income Category of the Geography																			2022
Assessment Area:	Total Loans to Farms				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$	% of Total	Overall Market	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	Aggregate
Fairmont AA	20	4,486	100.0	93	0.0	0.0	0.0	4.2	0.0	4.3	90.3	100.0	92.5	5.4	0.0	3.2	0.0	0.0	0.0
Total	20	4,486	100.0	93	0.0	0.0	0.0	4.2	0.0	4.3	90.3	100.0	92.5	5.4	0.0	3.2	0.0	0.0	0.0
Source: 2022 D&B Data; 01/01/2022 - 12/31/2022 Bank Data; 2022 CRA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%																			
First Farmers & Merchants Nati (10000022351) excluded from Aggregate																			

The total loan amount presented in the tables for each assessment area may differ from the total loan amount reported in the aggregate table due to how the underlying loan data is rounded in each table.

Table T: Assessment Area Distribution of Loans to Farms by Gross Annual Revenues											2020-21
Assessment Area:	Total Loans to Farms				Farms with Revenues <= 1MM			Farms with Revenues > 1MM		Farms with Revenues Not Available	
	#	\$	% of Total	Overall Market	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	% Farms	% Bank Loans
Fairmont AA	20	3,536	100.0	62	98.2	65.0	21.0	1.3	25.0	0.5	10.0
Total	20	3,536	100.0	62	98.2	65.0	21.0	1.3	25.0	0.5	10.0
Source: 2021 D&B Data; 01/01/2020 - 12/31/2021 Bank Data; 2021 CRA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%											
First Farmers & Merchants Nati (10000022351) excluded from Aggregate											

Table T: Assessment Area Distribution of Loans to Farms by Gross Annual Revenues											2022
Assessment Area:	Total Loans to Farms				Farms with Revenues <= 1MM			Farms with Revenues > 1MM		Farms with Revenues Not Available	
	#	\$	% of Total	Overall Market	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	% Farms	% Bank Loans
Fairmont AA	20	4,486	100.0	93	98.3	70.0	29.0	1.2	30.0	0.5	0.0
Total	20	4,486	100.0	93	98.3	70.0	29.0	1.2	30.0	0.5	0.0
Source: 2022 D&B Data; 01/01/2022 - 12/31/2022 Bank Data; 2022 CRA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%											
First Farmers & Merchants Nati (10000022351) excluded from Aggregate											

The total loan amount presented in the tables for each assessment area may differ from the total loan amount reported in the aggregate table due to how the underlying loan data is rounded in each table.



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, age, and income of applicants and borrowers; and information about loan approvals and denials. These data are available online at the Consumer Financial Protection Bureau's Web site (www.consumerfinance.gov/hmda). HMDA data for many other financial institutions are also available online, at this website.

Regarding HMDA data for calendar years 2019 and earlier, inquire at this office for the locations where HMDA data may be inspected.

(Provide to customers upon request)

- E. This section supplies you with written comments from the public relating to our CRA performance for the current and preceding two calendar years. Mostly what you will find are our surveys that have been returned to us addressing several questions. In addition, the following details inquiries of us other than those surveys:

2024	None
2023	None
2022	None

- F. First Farmers & Merchants National Bank feels that an effective measure of its ability to meet the credit needs of its market and assessment area is to review its loan to deposit ratio. We are providing you with this information by quarter for the following years:

	<u>1st</u>	<u>2nd</u>	<u>3rd</u>	<u>4th</u>
2024	102.85%	106.12%	101.43%	94.09%
2023	99.13%	102.36%	91.62%	91.01%
2022	86.78%	100.11%	95.79%	98.33%