



# INTERMEDIATE SMALL BANK

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Comptroller of the Currency  
Administrator of National Banks

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Washington, DC 20219

## PUBLIC DISCLOSURE

February 22, 2011

### COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

The Citizens National Bank of Bluffton  
Charter Number: 11573

102 South Main Street  
Bluffton, Ohio 45817

Office of the Comptroller of the Currency

Central Ohio Field Office  
325 Cramer Creek Court, Suite 101  
Dublin, Ohio 43017-3577

**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, 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.

**INSTITUTION'S CRA RATING: This institution is rated Satisfactory Record of Meeting Community Credit Needs.**

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

**The Community Development Test is rated: Satisfactory.**

- The bank's loan-to-deposit (LTD) ratio is more than reasonable and compares favorably with similarly situated banks in the bank's assessment areas (AA).
- A majority of this bank's lending activity occurs within its AAs.
- Overall, the bank's performance in lending to geographies of different income levels exhibits reasonable dispersion throughout the Lima MSA and Non-MSA AAs.
- Lending to borrowers of different income levels and businesses and farms of different sizes reflects reasonable penetration within the Lima MSA and Non-MSA AAs.
- Responsiveness to the community development needs of the AAs is adequate.

## **Scope of Examination**

Our office conducted a full scope Community Reinvestment Act (CRA) examination to assess the bank's record of meeting the credit needs of its entire community, including low- and moderate-income areas. We used the intermediate small bank CRA examination procedures to perform the examination. The evaluation under the Lending Test considered performance from January 1, 2008 through December 31, 2010 (lending evaluation period), excluding Community Development (CD) loans. The evaluation under the CD Test considered CD loans, investments, and services from October 17, 2006 to February 22, 2011 (CD evaluation period).

The bank's performance in residential real estate, small business, and small farm lending is considered foremost in this CRA examination. We reviewed home purchase, home improvement, and refinance loans reported under the Home Mortgage Disclosure Act (HMDA) and small business and small farm loans reported under CRA data. These are the bank's primary lending products as determined through discussions with management and review of the bank's loan originations during the lending evaluation period. We reviewed both CRA and HMDA data from 2008 through 2010, as part of a data integrity review, and determined the information to be reliable.

Both the Lima and Non-MSA assessment areas (AAs) were weighted equally in this evaluation. The Springfield MSA AA was weighted less than the other two AAs due to having less than a 1% deposit market share and originating only 2% of the bank's total loans in this AA during the evaluation period. Management is still trying to reach out to customers and obtain market share in the Springfield MSA AA. Management recently hired a new junior lender to focus on lending to small businesses and farms in this AA.

## Description of Institution

The Citizens National Bank of Bluffton (CNB) is a \$563 million independent, intrastate community bank, which is wholly owned by Citizens Bancshares, Inc., a one-bank holding company. Both the main office and holding company are located in Bluffton, Ohio, approximately 85 miles northwest of Columbus, Ohio. The bank has a total of nine banking offices, with seven full service offices and two independent drive-thru facilities. The bank has offices in Bluffton, Lima, Elida, Van Wert, Celina, Findlay, and Springfield. The bank also operates six automatic teller machines (ATM) at the offices. The only office location without a drive-thru or ATM is the Springfield branch. The Springfield office was opened in 2007 and operated as a loan production office (LPO) until August 2008, when it became a full service branch. In January 2011, the bank opened a LPO in Defiance, Ohio. The bank's Lima branch is located in a low-income census tract, the Springfield branch is located in a moderate-income census tract, and the rest of the offices are located in middle- or upper-income census tracts.

CNB's primary business focus is retail/commercial banking. The bank offers a variety of standard lending products and services through their full service banking offices to accommodate the credit needs of borrowers throughout their AAs.

CNB also operates an internet-only branch, [cnbbankdirect.com](http://cnbbankdirect.com), which offers both savings and certificate of deposit (CD) accounts to depositors across the country. As of February 1, 2011, the bank had internet savings accounts totaling \$34 million and CDs totaling \$4 million. Loan products are not offered through this internet site.

Presently, no legal or economic impediments exist that could restrict the institution's ability to serve the community's credit needs. CNB's CRA rating as of October 16, 2006, was "Satisfactory Record of Meeting Community Credit Needs."

As of December 31, 2010, CNB reported total assets of \$563 million and held \$46 million in Tier I Capital, per the Report of Condition and Income (call report). CNB's loan portfolio totaled approximately \$405 million at the same time period, with net loans representing about 72% of total assets. During the lending evaluation period, the bank sold approximately \$259 million in residential real estate loans to the secondary market. The bank's primary loan products are residential real estate mortgage loans, small business, and small farm loans. Table 1 reflects the bank's total loans originated/purchased between January 1, 2008 and December 31, 2010.

<b>Table 1 - Primary Loan Types</b>		
<b>Loans Originated/Purchased from January 1, 2008 to December 31, 2010</b>		
<b>Loan Type</b>	<b>Percent by Number of Loans</b>	<b>Percent by Dollar of Loans</b>
Residential Real Estate Mortgage Loans (HMDA)	46%	50%
Business Loans	19%	30%
Farm Loans	16%	15%
Home Equity Lines of Credit	8%	3%
All Other Loans	11%	2%
<b>TOTAL LOANS ORIGINATED</b>	100%	100%

*Source: Internal bank reports, as of December 31, 2010.*

## Description of Assessment Areas

CNB serves seven AAs. Two of them are located in metropolitan statistical areas (MSAs) and the others are located in non-MSA areas. The Non-MSA AAs are contiguous to the Lima MSA AA. The Non-MSA counties are similar in nature; therefore, we analyzed them as one AA. We determined the bank to have a total of three AAs, two MSA AAs and a non-MSA AA. Bank management selected these AAs based on the bank's targeted lending territory and office locations. The AAs meet the requirements of the Community Reinvestment Act (CRA) and do not arbitrarily exclude low- or moderate-income geographies.

Competition in the AAs is strong due to many local community banks and savings and loan institutions, as well as branches of larger financial institutions. Community contacts indicated that the area's economy has been depressed in some areas and fairly stable in other areas, with slow improvement. The credit needs of the AAs continue to be residential one-to-four family real estate loans (affordable housing loans) and small business loans. According to the contacts, the local financial institutions are meeting those needs. Per discussion with the community contacts, the CD needs and opportunities are being adequately served by the local financial institutions.

### **Lima MSA AA #30620**

The Lima MSA AA (MSA #30620) is comprised of all of Allen County, Ohio. The main office is located in Bluffton in the northeast corner of Allen County. Lima is the largest city and the county seat. The bank has five banking offices in Allen County (Bluffton, Elida, and Lima). The Lima branch office and drive-thru facility are located in a low-income census tract. CNB's offices in this AA provide the bank with a 15.58% deposit market share and it is ranked third per the FDIC (Federal Deposit Insurance Corporation) market share reports dated June 30, 2010. There are a total of thirty-five banking offices located in the MSA.

The Lima MSA AA is comprised of 34 census tracts: two low-income (6%), eleven moderate-income (32%), fifteen middle-income (44%), and six upper-income census tracts (18%). Based on the 2000 U.S. Census data (updated as of 2010), the population of the Lima MSA AA is 108,473, with 3% of the population living in low-income census tracts, 24% in moderate-income census tracts, and the remainder in middle- (54%) and upper-income (19%) census tracts. Sixty-six percent of total housing units are owner occupied. Of the owner occupied housing units, 1% is in low-, 20% are in moderate-, 57% are in middle-, and 22% are in upper-income census tracts. Approximately 13% of the households are living below the poverty level, 28% of the households receive social security benefits, and 21% are retired. The median housing value is \$77,533; the average median age of housing is 51 years. The weighted average monthly gross rent is \$441.

According to the 2000 U.S. Census Data, the Lima MSA median family income is \$44,707. The Department of Housing and Urban Development's (HUD) estimate of the Lima MSA median family income was \$57,000 for 2010. Approximately 19% of the families in the AA are low-income (less than 50% of the AA median family income) and 19% are moderate-income (at least 50% and less than 80% of the AA median family income).

Allen County is diversified into education and health services; manufacturing; and trade, transportation and utilities industries. As of February 2011, the unemployment rate for Allen County was 10.4%. The State of Ohio unemployment rate was 9.8% and the national unemployment rate was 9.5% for the same time period. Allen County exceeded both the state and national unemployment rates. However, per discussion with community contacts, the local economy is slowly improving and presently fairly stable.

The major employers in the area include the following: Ford Motor Company, General Dynamics Corporation, St. Rita's Medical Center, Lima Memorial Health Systems, BP Chemicals, MetoKote Corporation, Procter & Gamble Company, and the Lima City Schools.

### ***Non- MSA AA***

The Non-MSA AA includes all of Van Wert, Mercer, and Hancock counties and portions of Putnam and Auglaize counties. These counties surround Allen County and are all generally rural in nature. Due to their similar non-metropolitan character, we analyzed these counties as one AA (Non-MSA AA). CNB maintains three offices in the Non-MSA AA, one each in Van Wert, Mercer, and Hancock counties (Van Wert, Celina, and Findlay offices). Celina is the largest city in Mercer County and the county seat. Findlay is the largest city in Hancock County and the county seat. Van Wert is the largest city in Van Wert County and the county seat. All of the offices are located in middle- or upper-income census tracts. CNB's offices in this AA provide the bank with a 3.62% deposit market share and it is ranked eleventh per the FDIC market share reports dated June 30, 2010. There are a total of 104 banking offices in the Non-MSA AA.

The Non-MSA AA is comprised of 34 census tracts: zero low-income, one moderate-income (3%), twenty-five middle-income (74%), and eight upper-income census tracts (23%). Based on the 2000 U.S. Census data (updated as of 2010), the population of the Non-MSA AA is 153,438, with 1% of the population living in moderate-income census tracts, 68% in middle-income, and 31% in upper-income census tracts. Seventy-two percent of the housing units are owner occupied, with 1% in moderate-income, 68% in middle-income and 31% in upper-income census tracts. Approximately 7% of the households are living below the poverty level, 27% of the households receive social security benefits, and 18% are retired. The median housing value is \$92,251; the average median age of housing is 51 years. The weighted average monthly gross rent is \$461.

According to the 2000 U.S. Census Data, the Non-MSA (state of Ohio) median family income is \$43,801. The Department of Housing and Urban Development's (HUD) estimate of the Non-MSA median family income (state of Ohio) was \$53,700 for 2010. Approximately 12% of the families in the AA are low-income (less than 50% of the AA median family income) and 17% are moderate-income (at least 50% and less than 80% of the AA median family income).

The local economy has been depressed in some areas and fairly stable in other areas, per discussion with community contacts, and is slowly improving. As of February 2011, the unemployment rates for the Non-MSA counties were as follows: Van Wert (10.3%), Mercer (7.0%), Hancock (8.2%), Putnam (9.6%), and Auglaize (8.6%). The State of Ohio unemployment rate was 9.8% and the national unemployment rate was 9.5% for the same time period. Van Wert County exceeded both the state and national unemployment rates; however, the other counties were lower than or consistent with state and national rates.

Van Wert County is diversified into manufacturing; education and health; and government industries. Major employers include the Van Wert City Schools, Eaton Corporation, Federal-Mogul Corporation, and Van Wert County Hospital Association.

Mercer County is diversified into manufacturing; trade, transportation, and utilities; agriculture; and government industries. Major employers include the Celina City Schools and Celina Aluminum Precision Technology.

Hancock County is diversified into manufacturing; trade, transportation, and utilities; education and health; and government industries. Major employers include the Findlay City Schools, Blanchard Valley Health System, Cooper Tire & Rubber Company, University of Findlay, Marathon Petroleum Company LLC, and Whirlpool Corporation.

### ***Springfield MSA AA #44220***

The Springfield MSA AA (MSA #44220) is comprised of all of Clark County, Ohio. Springfield is the largest city in the county and the county seat. The bank has one office in Clark County which is located in Springfield. The Springfield branch office is located in a moderate-income census tract. CNB's office in this AA provides the bank with less

than 1% deposit market share and it is ranked tenth per the FDIC market share reports dated June 30, 2010. Forty banking offices are located in the MSA. The bank opened a full service branch in this AA in August 2008; prior to this timeframe, it was an LPO that was opened in 2007. This office is located in an office building, with no drive-thru facility or ATM. Both the Lima and Non-MSA AAs were weighted equally in this evaluation. The Springfield MSA AA was weighted less than the other two due to less than 1% deposit market share and only 2% of the bank's total loans originated were in this AA during the evaluation period. Management is still trying to reach out to customers and obtain market share in the Springfield MSA AA. Management recently hired a new junior lender to focus on lending to small businesses and farms in this AA.

The Springfield MSA AA is comprised of 43 census tracts: two low-income (5%), nine moderate-income (21%), twenty-two middle-income (51%), and ten upper-income census tracts (23%). Based on the 2000 U.S. Census data (updated as of 2010), the population of the Springfield MSA is 144,742, with 3% of the population living in low-income census tracts, 15% in moderate-income census tracts, and the remainder in middle- (57%) and upper-income (25%) census tracts. Sixty-six percent of the housing units are owner occupied, with 2% of them in low-, 10% in moderate-, 59% in middle-, and 29% in upper-income census tracts. Approximately 10% of the households are living below the poverty level, 29% of the households receive social security benefits, and 24% are retired. The median housing value is \$87,116; the average median age of housing is 51 years. The weighted average monthly gross rent is \$491.

According to the 2000 U.S. Census Data, the Springfield MSA median family income is \$48,068. The Department of Housing and Urban Development's (HUD) estimate of the Springfield MSA median family income was \$56,800 for 2010. Approximately 19% of the families in the AA are low-income (less than 50% of the AA median family income) and 19% are moderate-income (at least 50% and less than 80% of the AA median family income).

The local economy is slowly improving and fairly stable at the present time. As of February 2011, the unemployment rate for Clark County was 10%. The State of Ohio unemployment rate was 9.8% and the national unemployment rate was 9.5% for the same time period. Clark County slightly exceeded both the state and national unemployment rates.

The major employers in the area include the following: Springfield City Schools, Community Mercy Health Partners, Dole Fresh Vegetables, Gordon Food Service, and Wittenberg University. The major industries are manufacturing; education and health services; trade, transportation and utilities; leisure and hospitality; and government.

## Conclusions with Respect to Performance Tests

### LENDING TEST

CNB's lending test is rated Satisfactory. Based on a full-scope review, CNB's performance in the Lima MSA AA, Non-MSA AA, and Springfield MSA AA is overall satisfactory. Less weight was given to the Springfield MSA AA due to the length of time the bank has been in this AA, less than 1% deposit market share, and only 2% of the bank's originated loans in this AA.

### Loan-to-Deposit Ratio

CNB's loan-to-deposit (LTD) ratio is more than reasonable and exceeds the standard for satisfactory performance. The average LTD ratio calculated over the last 17 quarters since the prior CRA examination (December 31, 2006 to December 31, 2010) of 100.95% is more than reasonable. CNB's highest LTD ratio was 112.67% at September 30, 2007, and the lowest was 89.02% at December 31, 2009. CNB's current (97.70% at December 31, 2010) and 17-quarter average LTD ratios compare favorably to similarly situated institutions whose average ratios have been 60% to 100% for the same time period.

### Lending in Assessment Area

The bank's record of lending within the AA is reasonable and supports satisfactory performance. A majority of CNB's lending activity occurs within its AA, as indicated in Table 2 below. Based on the HMDA residential mortgage loans and CRA small business and small farm loans originated during the evaluation period, CNB made 79% of the number and 75% of the dollar amount within its AA. Refer to Table 2 for more details.

Loan Type	Number of Loans					Dollars of Loans				
	Inside		Outside		Total	Inside		Outside		Total
	#	%	#	%		\$	%	\$	%	
Home Purchase	484	80%	123	20%	607	50,963	76%	15,871	24%	66,834
Home Refinance	1,481	80%	359	20%	1,840	183,493	79%	50,142	21%	233,635
Home Improvement	111	85%	19	15%	130	5,825	89%	726	11%	6,551
Business	877	81%	201	19%	1,078	137,762	74%	49,167	26%	186,929
Farm	631	71%	254	29%	885	64,041	68%	30,609	32%	94,650
Totals	3,584	79%	956	21%	4,540	442,084	75%	146,515	25%	588,599

Source: HMDA and CRA Small Business/Small Farm loans originated from January 1, 2008 to December 31, 2010.



## **Lending to Borrowers of Different Incomes and to Businesses and Farms of Different Sizes**

CNB's lending to borrowers of different incomes, including low- and moderate-income borrowers, for residential real estate mortgage loans is reasonable and supports satisfactory performance in all AAs.

CNB's lending to businesses and farms of different sizes is reasonable and reflective of satisfactory performance for the Non-MSA AA. CNB's lending to businesses of different sizes is poor for the Lima MSA AA. CNB's lending to farms of different sizes is reasonable for the Lima MSA AA. CNB's lending to businesses and farms of different sizes is poor for the Springfield MSA AA.

During the evaluation period for loans originated within its AAs, the bank made a substantial majority of its residential real estate loans in the Lima MSA and Non-MSA AAs (98%). The bank made 97% of its business loans and 98% of its small farm loans in the Lima MSA and Non-MSA AAs. The bank is trying to market their products and increase lending volume in the Springfield AA according to bank management. Based on the low level of lending and time in the Springfield MSA AA market, less weight was given to this AA in the evaluation.

### **Lima MSA AA**

For the Lima MSA AA, the distribution of residential real estate loans reflects reasonable penetration among individuals of different incomes, including low- and moderate-income borrowers, and supports satisfactory performance. In addition, the penetration of farms of different sizes is reasonable and reflective of satisfactory performance. The penetration of loans to small businesses is poor; however, the bank is making a significant volume of small business loans in the AA according to peer data. Refer to comments below for more details.

The distribution of residential real estate lending reflects reasonable penetration among individuals of different incomes, including low- and moderate-income borrowers, in the Lima MSA AA. The distribution of real estate loans to borrowers in different income categories reflects penetration to all income categories. Lending to low-income borrowers (6%) is significantly less than the percentage of low-income families in the AA (19%); however, 14% of the home improvement loans were made to low-income borrowers. A contributing factor to the low penetration to low-income families is that 13% of the low-income population of the AA live below the poverty-level and may not meet the criteria to qualify for a home mortgage loan. There is also a high level of rental units in the AA; 25.67% of the total housing units in the AA are occupied rental units. In addition, 8% of the housing units are vacant. There are also many other banking institutions in the area providing additional competition for loans.

Lending to moderate-income borrowers (18%) compared reasonably with the percentage of moderate-income families (19%) in the Lima MSA AA. Twenty-seven percent of the home purchase loans in this AA were to moderate-income borrowers,

which exceeds the percentage of moderate-income families in the AA. Refer to Table 3 for more details on the percentage of residential real estate loans in the Lima MSA AA, categorized by home purchase, refinance, and home improvement loans.

<b>Table 3 - Borrower Distribution of Residential Real Estate Loans in the Lima MSA AA</b>								
Borrower Income Level	Low		Moderate		Middle		Upper	
Loan Type	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans
Home Purchase	19%	11%	19%	27%	23%	26%	39%	36%
Refinance	19%	4%	19%	15%	23%	24%	39%	57%
Home Improvement	19%	14%	19%	12%	23%	15%	39%	59%
Total	19%	6%	19%	18%	23%	24%	39%	52%

*Source: HMDA loans originated from January 1, 2008 to December 31, 2010; U.S. Census data, updated as of 2010.*

The penetration of loans to small businesses is poor in the Lima MSA AA. In this AA, the bank made 56% of their loans to businesses with annual gross revenues of \$1 million or less, which is significantly less than the 74% of AA businesses with gross revenues of \$1 million or less. Refer to Table 3A for more details on distribution of small business loans.

CNB, however, has been making a significant volume of small business and small farm loans in the AA, in comparison to other banks. CNB was ranked second in the AA for small business/small farm market share (MSA Market Share Report, 2009), with 8.30% of market share by number of loans originated and 26.43% by dollar amount of loans originated. Per discussion with bank management, fewer business lending opportunities existed during the economic downturn within their traditional market area, and the bank had to venture out of the area to find additional business. There is also strong competition in the AA with numerous financial institutions. The bank's Lima office originated many land development loans in the past, but with the downturn in the housing market, this type of lending decreased significantly. Management also stated that Lima has had a continual increase in the amount of vacant buildings where businesses have closed or relocated.

<b>Table 3A - Borrower Distribution of Loans to Small Businesses in the Lima MSA AA</b>				
Business Revenues (or Sales)	≤\$1,000,000	>\$1,000,000	Unavailable/ Unknown	Total
% of AA Businesses	74%	5%	21%	100%
% of Bank Loans in AA by #	56%	44%	0%	100%
% of Bank Loans in AA by \$	37%	63%	0%	100%

*Source: Data reported under CRA small business data from January 1, 2008 to December 31, 2010; U.S. Census data, updated as of 2010.*

The penetration of loans to small farms is reasonable and meets the standard for satisfactory performance in the Lima MSA AA. In this AA, the bank made 96% of its

farm loans to farms with gross revenues of \$1 million or less; which is near the ratio of 98% of the farms in the AA having annual revenues of \$1 million or less. Refer to Table 3B for more details.

<b>Table 3B - Borrower Distribution of Loans to Small Farms in the Lima MSA AA</b>				
Farm Revenues (or Sales)	≤\$1,000,000	>\$1,000,000	Unavailable/ Unknown	Total
% of AA Farms	98%	1%	1%	100%
% of Bank Loans in AA by #	96%	4%	0%	100%
% of Bank Loans in AA by \$	93%	7%	0%	100%

*Source: Data reported under CRA small farm data from January 1, 2008 to December 31, 2010; U.S. Census data, updated as of 2010.*

### **Non-MSA AA**

For the Non-MSA AA, the distribution of residential real estate loans reflects reasonable penetration among individuals of different incomes, including low- and moderate-income borrowers, and supports satisfactory performance. In addition, the penetration of loans to businesses and farms of different sizes is reasonable and reflective of satisfactory performance.

The distribution of residential real estate lending reflects reasonable penetration among individuals of different incomes, including low- and moderate-income borrowers, in the Non-MSA AA. Lending to moderate-income borrowers (20%) compared favorably with the percentage of moderate-income families (17%) in the Non-MSA AA. Thirty-three percent of the home purchase loans in this AA were made to moderate-income borrowers, which significantly exceeds the number of moderate-income families in the AA.

Lending to low-income borrowers (6%) is less than the percentage of low-income families in the AA (12%). A contributing factor to the low penetration to low-income families is that 7% of the low-income population of the AA live below the poverty-level and may not meet the criteria to qualify for a home mortgage loan. There is also a high level of rental units in the AA; 21.22% of the total housing units in the AA are occupied rental units. In addition, six percent of the housing units are vacant.

Refer to Table 4 for more details on the distribution of residential real estate loans originated in the Non-MSA AA during the evaluation period, categorized by home purchase, refinance, and home improvement loans.

<b>Table 4 - Borrower Distribution of Residential Real Estate Loans in the Non-MSA AA</b>								
Borrower Income Level	Low		Moderate		Middle		Upper	
Loan Type	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans
Home Purchase	12%	9%	17%	33%	25%	21%	46%	37%
Refinance	12%	5%	17%	16%	25%	25%	46%	54%
Home Improvement	12%	4%	17%	20%	25%	27%	46%	49%
Total	12%	6%	17%	20%	25%	24%	46%	50%

Source: HMDA loans originated from January 1, 2008 to December 31, 2010; U.S. Census data, updated as of 2010.

The penetration of loans to small businesses is reasonable and meets the standard for satisfactory performance in the Non-MSA AA. The bank made 68% of their number of loans to businesses with annual gross revenues of \$1 million or less, which is lower than the 76% of AA businesses with gross revenues of \$1 million or less. Refer to Table 4A for more details. However, CNB was ranked overall 5<sup>th</sup> in the AA in a market share report of peer data, with 5% of market share by number of small business/small farm loans originated and 15% by dollar volume. Competition in the AA is strong.

<b>Table 4A - Borrower Distribution of Loans to Small Businesses in the Non-MSA AA</b>				
Business Revenues (or Sales)	≤\$1,000,000	>\$1,000,000	Unavailable/Unknown	Total
% of AA Businesses	76%	5%	19%	100%
% of Bank Loans in AA by #	68%	32%	0%	100%
% of Bank Loans in AA by \$	42%	58%	0%	100%

Source: Data reported under CRA small business data from January 1, 2008 to December 31, 2010; U.S. Census data, updated as of 2010.

The penetration of loans to small farms is reasonable and demonstrates satisfactory performance in the Non-MSA AA. In this AA, the bank made 88% of loans to farms with annual gross revenues of \$1 million or less which is lower than the 99% of AA farms having gross annual revenues of \$1 million or less. Refer to Table 4B for more details. However, CNB was ranked overall 5<sup>th</sup> in the AA in a market share report of peer data, with 5% of market share by number of small business/small farm loans originated and 15% by dollar volume. Competition in the AA is strong.

<b>Table 4B - Borrower Distribution of Loans to Small Farms in the Non-MSA AA</b>				
Farm Revenues (or Sales)	≤\$1,000,000	>\$1,000,000	Unavailable/Unknown	Total
% of AA Farms	99%	0%	1%	100%
% of Bank Loans in AA by #	88%	12%	0%	100%
% of Bank Loans in AA by \$	79%	21%	0%	100%

Source: Data reported under CRA small farm from January 1, 2008 to December 31, 2010; U.S. Census data, updated as of 2010.

## Springfield MSA AA

For the Springfield MSA AA, the distribution of residential real estate loans reflects reasonable penetration among individuals of different incomes, including low- and moderate-income borrowers, and supports satisfactory performance. However, the penetration of loans to businesses and farms of different sizes is poor; see below for more details. The bank opened a full service branch in the Springfield AA in August 2008; prior to this time and since 2007, the bank only maintained a loan production office (LPO) in this area. Given that CNB made a substantial majority of its loans in the Lima MSA and Non-MSA AAs (98%); less weight was given to the Springfield MSA.

The distribution of residential real estate lending reflects reasonable penetration among individuals of different incomes, including low- and moderate-income borrowers, in the Springfield MSA AA. Lending to moderate-income borrowers (20%) compares reasonably with the percentage of moderate-income families (19%) in the Springfield MSA AA. Twenty-three percent of the home purchase loans in this AA were made to moderate-income borrowers, which exceeds the number of moderate-income families in the AA.

Lending to low-income borrowers (14%) is less than the percentage of low-income families in the AA (19%). However, 23% of the home purchase loans were made to low-income borrowers which exceeded the demographic. A contributing factor to the low penetration of residential real estate loans to low-income families is that 10% of the low-income population of the AA live below the poverty-level and may not meet the criteria to qualify for a home mortgage loan. There is also a high level of rental units in the AA; 26.46% of the total housing units in the AA are occupied rental units. Seven percent of the housing units are vacant.

Refer to Table 5 for more details on the percentage of residential real estate loans in the Springfield MSA AA, categorized by home purchase, refinance, and home improvement loans.

Borrower Income Level	Low		Moderate		Middle		Upper	
	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans
Home Purchase	19%	23%	19%	23%	24%	23%	38%	31%
Refinance	19%	8%	19%	15%	24%	23%	38%	54%
Home Improvement	19%	0%	19%	0%	24%	0%	38%	100%
<b>Total</b>	<b>19%</b>	<b>14%</b>	<b>19%</b>	<b>20%</b>	<b>24%</b>	<b>23%</b>	<b>38%</b>	<b>43%</b>

*Source: HMDA loans originated from January 1, 2008 to December 31, 2010; U.S. Census data, updated as of 2010.*

The penetration of loans to small businesses is poor in the Springfield MSA AA. In this AA, the bank made 54% of their business loans to businesses with annual gross

revenues of \$1 million or less, which is significantly lower than the 77% of businesses in the AA with gross revenues of \$1 million or less. Refer to Table 5A for more details.

CNB was ranked overall 15<sup>th</sup> in the AA in a market share report of peer data (MSA Market Share Report, 2009), with 0.59% of market share by number of small business/small farm loans originated and 3.46% by dollar volume. The bank opened a branch in this AA in August 2008, and is still trying to obtain market share in this AA. Only 3% of the bank’s total small business loans originated in the evaluation period were made in this AA. The bank’s Springfield branch office is located inside an office building with no drive-thru, which management indicated may limit some of the small businesses seeking full retail services. A positive factor is that the bank recently hired a junior lender in the Springfield office focusing on lending to smaller businesses and farms.

<b>Table 5A - Borrower Distribution of Loans to Small Businesses in the Springfield MSA AA</b>				
Business Revenues (or Sales)	≤\$1,000,000	>\$1,000,000	Unavailable/ Unknown	Total
% of AA Businesses	77%	5%	18%	100%
% of Bank Loans in AA by #	54%	46%	0%	100%
% of Bank Loans in AA by \$	37%	63%	0%	100%

*Source: Data reported under CRA small business data from January 1, 2008 to December 31, 2010; U.S. Census data, updated as of 2010.*

The penetration of loans to small farms is poor in the Springfield MSA AA. In this AA, the bank made 64% of farm loans to farms with annual gross revenues of \$1 million or less, which is significantly less than the farms in the AA with annual gross revenues of \$1 million or less. Refer to Table 5B for more details. CNB was ranked overall 15<sup>th</sup> in the AA in a market share report of peer data, with 0.59% of market share by number of small business/small farm loans originated and 3.46% by dollar volume.

The bank has strong competition in the AA with Farm Credit Services, which actively advertises and markets their loans in the AA per discussion with management. Overall, the number of small farms in low- and moderate-income census tracts in this AA is limited. The bank has only been in the AA for a little over two years and is still reaching out to customers. Only 2% of the bank’s total small farm loans originated in the evaluation period were made in this AA.

<b>Table 5B - Borrower Distribution of Loans to Small Farms in the Springfield MSA AA</b>				
Farm Revenues (or Sales)	≤\$1,000,000	>\$1,000,000	Unavailable/ Unknown	Total
% of AA Farms	98%	1%	1%	100%
% of Bank Loans in AA by #	64%	36%	0%	100%
% of Bank Loans in AA by \$	59%	41%	0%	100%

*Source: Data reported under CRA small farm data from January 1, 2008 to December 31, 2010; U.S. Census data, updated as of 2010.*

## **Geographic Distribution of Loans**

Overall, the bank's performance in lending to geographies of different income levels within its AAs, including low- and moderate-income areas, reflects reasonable dispersion and meets the standard for satisfactory performance in the Lima MSA and Non-MSA AA. Details of the geographic distribution are presented in the following tables. Our analysis reflects lending in a majority of the census tracts, with no conspicuous gaps.

CNB made a substantial majority (98%) of all of its residential real estate, small business, and small farm loans during the evaluation period within its AAs in the Lima MSA (50%) and Non-MSA AAs (48%). The bank opened a branch in Springfield in August 2008. The bank is trying to market their products and increase lending volume in the Springfield MSA AA according to bank management. Based on the low level of lending and time in the Springfield MSA AA, less weight was given to this AA in the evaluation. The bank's performance in lending to geographies of different income levels, including low- and moderate-income areas, within the Springfield MSA AA is poor. See below for more details.

### **Lima MSA AA**

Lending to geographies of different income levels in the Lima MSA AA reflects reasonable dispersion and demonstrates satisfactory performance. Within the Lima MSA AA, there are two low-income and eleven moderate-income census tracts out of 34 total census tracts.

Lending to geographies of different income levels in the Lima MSA AA reflects reasonable dispersion for residential real estate lending and meets the standard for satisfactory performance. CNB made 1% of the total residential real estate loans in this AA in low-income census tracts, which meets the ratio of 1% of owner occupied units in the AA located in low-income census tracts. CNB made 6% of their residential real estate loans in moderate-income tracts, which is significantly less than the 20% of AA owner occupied housing units located in moderate-income census tracts. Of note, a factor contributing to the lower penetration in moderate-income geographies is that 26% of the total units in the AA are rental occupied units. Almost one half of the total

occupied rental units are in low and moderate-income tracts, with 7% in low-income tracts and 42% in moderate-income tracts.

See Table 6 below for specific details on the dispersion of residential real estate lending in different income geographies in the Lima MSA AA.

Census Tract Income Level	Low		Moderate		Middle		Upper	
Loan type	% of AA Owner Occupied Housing	% of Number of Loans	% of AA Owner Occupied Housing	% of Number of Loans	% of AA Owner Occupied Housing	% of Number of Loans	% of AA Owner Occupied Housing	% of Number of Loans
Home Purchase	1%	1%	20%	7%	57%	46%	22%	46%
Refinance	1%	1%	20%	5%	57%	51%	22%	43%
Home Improvement	1%	2%	20%	11%	57%	40%	22%	47%
Total	1%	1%	20%	6%	57%	50%	22%	43%

Source: HMDA loans originated from January 1, 2008 to December 31, 2010; U.S. Census data, updated as of 2010

The geographic dispersion of business loans in the Lima MSA AA is reasonable and meets the standard for satisfactory performance. The bank made 10% of the number of business loans in low-income geographies, which exceeds the demographic data of 8% of businesses located in low-income areas. The bank also made 17% of the number of business loans in moderate-income geographies, which is lower than the 20% of businesses in the AA located in moderate-income geographies. See Table 6A for additional details.

Census Tract Income Level	Low		Moderate		Middle		Upper	
Loan Type	% of AA Businesses	% of Number of Loans	% of AA Businesses	% of Number of Loans	% of AA Businesses	% of Number of Loans	% of AA Businesses	% of Number of Loans
Small Business	8%	10%	20%	17%	52%	39%	20%	34%

Source: Data reported under CRA small business data from January 1, 2008 to December 31, 2010; U.S. Census data, updated as of 2010.

The geographic dispersion of farm loans in the Lima MSA AA is reasonable. The bank made 2% of the number of farm loans in moderate-income geographies, which compares reasonably with the number of farms in moderate-income areas. Refer to Table 6B for details.



<b>Table 6B – Geographic Distribution of Loans to Farms in the Lima MSA AA</b>								
Census Tract Income Level	Low		Moderate		Middle		Upper	
Loan Type	% of AA Farms	% of Number of Loans	% of AA Farms	% of Number of Loans	% of AA Farms	% of Number of Loans	% of AA Farms	% of Number of Loans
Small Farm	0%	0%	2%	2%	77%	83%	21%	15%

Source: Data reported under CRA small farm data from January 1, 2008 to December 31, 2010; U.S. Census data, updated as of 2010.

### Non-MSA AA

Lending to geographies of different income levels in the Non-MSA AA reflects reasonable dispersion and demonstrates satisfactory performance. Within the Non-MSA AA, there are no low-income census tracts and only one moderate-income census tract out of 34 total census tracts.

Lending to geographies of different income levels in the Non-MSA AA reflects reasonable dispersion for residential real estate lending and demonstrates satisfactory performance. CNB made 1% of their residential real estate loans in moderate-income tracts, which compares reasonably with the 1% of owner-occupied housing units in the AA located in the moderate-income census tract.

See Table 7 for specific details on residential real estate lending in the moderate-income geography.

<b>Table 7 - Geographic Distribution of Residential Real Estate Loans in the Non-MSA AA</b>								
Census Tract Income Level	Low		Moderate		Middle		Upper	
Loan type	% of AA Owner Occupied Housing	% of Number of Loans	% of AA Owner Occupied Housing	% of Number of Loans	% of AA Owner Occupied Housing	% of Number of Loans	% of AA Owner Occupied Housing	% of Number of Loans
Home Purchase	0%	0%	1%	1%	68%	80%	31%	19%
Refinance	0%	0%	1%	1%	68%	78%	31%	21%
Home Improvement	0%	0%	1%	4%	68%	85%	31%	11%
Total	0%	0%	1%	1%	68%	79%	31%	20%

Source: HMDA loans originated from January 1, 2008 to December 31, 2010; U.S. Census data, updated as of 2010.

The geographic dispersion of business loans in the Non-MSA AA is reasonable and reflective of satisfactory performance. The bank made 2% of the number of business loans in moderate-income geographies, which compares favorably with 1% of businesses in moderate-income tracts in the AA. See Table 7A for specific details.

<b>Table 7A - Geographic Distribution of Loans to Businesses in the Non-MSA AA</b>								
Census Tract Income Level	Low		Moderate		Middle		Upper	
Loan Type	% of AA Businesses	% of Number of Loans	% of AA Businesses	% of Number of Loans	% of AA Businesses	% of Number of Loans	% of AA Businesses	% of Number of Loans
Small Business	0%	0%	1%	2%	71%	78%	28%	20%

Source: Data reported under CRA small business data from January 1, 2008 to December 31, 2010; U.S. Census data, updated as of 2010.

The geographic dispersion of farm loans in the Non-MSA AA is reasonable and reflective of satisfactory performance. The bank made 1% of the number of farm loans in moderate-income geographies, which is more than the number of farms reported in the moderate-income census tract in the AA (0.27%, or less than 1%). See Table 7B for specific details.

<b>Table 7B - Geographic Distribution of Loans to Farms in the Non-MSA AA</b>								
Census Tract Income Level	Low		Moderate		Middle		Upper	
Loan Type	% of AA Farms	% of Number of Loans	% of AA Farms	% of Number of Loans	% of AA Farms	% of Number of Loans	% of AA Farms	% of Number of Loans
Small Farm	0%	0%	0.27%	1%	66%	73%	34%	26%

Source: Data reported under CRA small farm data from January 1, 2008 to December 31, 2010; U.S. Census data, updated as of 2010.

## Springfield MSA AA

Lending to geographies of different income levels in the Springfield MSA AA reflects poor dispersion. Within the Springfield MSA AA, there are two low-income and nine moderate-income census tracts. The bank did not make any loans in low- and moderate-income census tracts in this AA during the evaluation period. This indicates conspicuous gaps in lending. During the evaluation period, the bank only made 2% of the total loans originated in this AA. Based on the low level of lending, less weight was given to this AA.

Lending to geographies of different income levels in the Springfield MSA AA does not meet the standards for reasonable dispersion for residential real estate lending, and compares poorly with demographic data. CNB did not make any mortgage loans in the low- and moderate-income tracts. This lack of lending compares poorly with the 2% of owner occupied housing units located in low-income geographies and 10% of owner occupied housing units located in moderate-income geographies in the AA. Only 2% of the bank's total residential real estate loans originated in the evaluation period was made in this AA.

See Table 8 below for specific details on residential real estate lending to low- and moderate-income geographies.

Census Tract Income Level	Low		Moderate		Middle		Upper	
Loan type	% of AA Owner Occupied Housing	% of Number of Loans	% of AA Owner Occupied Housing	% of Number of Loans	% of AA Owner Occupied Housing	% of Number of Loans	% of AA Owner Occupied Housing	% of Number of Loans
Home Purchase	2%	0%	10%	0%	59%	76%	29%	24%
Refinance	2%	0%	10%	0%	59%	71%	29%	29%
Home Improvement	2%	0%	10%	0%	59%	100%	29%	0%
Total	2%	0%	10%	0%	59%	74%	29%	26%

Source: Data reported under HMDA from January 1, 2008 to December 31, 2010; U.S. Census data, updated as of 2010.

The geographic dispersion of business loans in the Springfield MSA AA does not meet the standards for reasonable dispersion. The bank did not make any business loans in low- and moderate-income census tracts during the evaluation period, as reflected in Table 8A. The bank’s Springfield branch office is located inside an office building with no drive-thru, which management indicated may limit some of the small businesses seeking full retail services. Also, the bank recently hired a junior lender in the Springfield office focusing on lending to smaller businesses and farms. Only 3% of the bank’s total small business loans originated in the evaluation period were made in this AA.

Census Tract Income Level	Low		Moderate		Middle		Upper	
Loan Type	% of AA Businesses	% of Number of Loans	% of AA Businesses	% of Number of Loans	% of AA Businesses	% of Number of Loans	% of AA Businesses	% of Number of Loans
Small Business	3%	0%	16%	0%	55%	64%	26%	36%

Source: Data reported under CRA small business data from January 1, 2008 to December 31, 2010; U.S. Census data, updated as of 2010.

The geographic dispersion of farm loans in the Springfield MSA AA does not meet the standards for reasonable dispersion. The bank did not make any farm loans in low- or moderate-income census tracts during the evaluation period, as reflected in Table 8B. However, the majority of the low- and moderate-income census tracts are located in more urban areas of the AA where farming is more limited. The bank has strong competition with Farm Credit Services, which actively advertises and markets their loans in the AA per discussion with management. Overall, the number of small farms in low- and moderate-income census tracts in this AA is limited. The bank has only been

in the AA a little over two years and is still reaching out to customers. Only 2% of the bank’s total small farm loans originated in the evaluation period were made in this AA.

<b>Table 8B - Geographic Distribution of Loans to Farms in the Springfield MSA AA</b>								
Census Tract Income Level	Low		Moderate		Middle		Upper	
Loan Type	% of AA Farms	% of Number of Loans	% of AA Farms	% of Number of Loans	% of AA Farms	% of Number of Loans	% of AA Farms	% of Number of Loans
Small Farm	0.48%	0%	3%	0%	48%	0%	49%	100%

Source: Data reported under CRA small farm data from January 1, 2008 to December 31, 2010; U.S. Census data, updated as of 2010.

**Responses to Complaints**

CNB has not received any complaints about its performance in helping to meet assessment area credit needs during this evaluation period.

**COMMUNITY DEVELOPMENT TEST**

The bank’s CD performance is satisfactory. Performance in the Lima MSA AA, Non-MSA AA, and the Springfield MSA AA is adequate. The bank has been adequately responsive to CD needs through CD loans and services, considering the bank’s capacity and the need, and availability of such opportunities for CD in the bank’s AAs. The bank’s level of investments is adequate.

The evaluation period for CD loans, investments, and services was from October 17, 2006 to February 22, 2010.

**Number and Amount of Community Development Loans**

CNB’s amount of CD loans is satisfactory, as the bank is adequately responsive to the CD needs of the AA through CD loans. During this evaluation period, the bank made twelve loans totaling slightly over \$2 million in the Lima MSA AA, ten loans totaling \$897M in the Non-MSA AA, and one loan for \$191M in the Springfield MSA AA. Brief descriptions of the loans can be found below for each AA. In addition, the bank made two “Grow Now” loans (described below) in nearby Paulding County totaling \$139,700.

**Lima MSA AA**

CNB originated twelve CD loans during the evaluation period in the Lima MSA AA, totaling \$2,026,500, which represents adequate responsiveness. They made seven loans totaling \$1,266,500 through the State of Ohio’s Grow Now program. This program provides low cost financing to small business owners to help create and retain jobs in the state of Ohio. In addition, the bank made five other loans to organizations

that provide affordable housing for low- and moderate-income families or to organizations providing services to low- and moderate-income individuals. The bank made one large loan to a company in a moderate-income census tract to revitalize the area and create new jobs.

### **Non-MSA AA**

CNB made ten CD loans during the evaluation period in the Non-MSA AA, totaling \$897,381, which represents adequate responsiveness. They originated eight loans totaling \$737,381 through the State of Ohio's Grow Now program which is described above. In addition, they made one loan to an organization that provides affordable housing and services to low- and moderate-income individuals and one loan to an economic development organization (job creation/retention) in the Van Wert area. CNB also originated one letter of credit for \$295M to the economic development organization for economic development and job creation.

### **Springfield MSA AA**

CNB made one CD loan during the evaluation period in the Springfield MSA AA, totaling \$191,000, which represents adequate responsiveness. This loan was made through the State of Ohio's Grow Now program, described above.

### **Number and Amount of Qualified Investments**

CNB's amount of qualified CD investments is satisfactory, as the bank is adequately responsive to the CD needs of the AA through CD investments. The number and amount, and descriptions of some of the investments, can be found below for each AA.

### **Lima MSA AA**

CNB's level of CD investments is adequate given the asset size and capacity of the bank in the Lima MSA AA. We based our review on the volume and types of investments made by the bank relative to the CD opportunities of the AA. During the evaluation period, CNB made sixty qualifying donations to twenty organizations totaling \$45,876. None of the investments made by the bank are considered innovative or complex.

In addition, CNB had one prior period investment in a General Obligation bond for the Lima, Ohio City School District with a market value of \$475M and book value of \$450M (2003). This bond was to build/renovate public schools in the Lima area in low- and moderate-income census tracts, as well as a few middle-income census tracts. Approximately 83% of the students receive and/or qualify for assistance such as the free lunch program in this school district.

## **Non-MSA AA**

CNB's level of CD investments is adequate given the asset size and capacity of the bank in the Non-MSA AA. We based our review on the volume and types of investments made by the bank relative to the CD opportunities of the AA. During the evaluation period, CNB made eighty-five qualifying donations to thirty-four organizations totaling \$31,576. None of the investments made by the bank are considered innovative or complex.

## **Springfield MSA AA**

CNB's level of CD investments is adequate given the asset size and capacity of the bank in the Springfield MSA AA. We based our review on the volume and types of investments made by the bank relative to the CD opportunities of the AA. During the evaluation period, CNB made seven qualifying donations to four organizations totaling \$2,200. None of the investments made by the bank are considered innovative or complex.

## **Number and Amount of Qualified Grants and Donations**

Notable qualifying donations made in the Lima MSA AA, Non-MSA AA, and the Springfield MSA AA include the following:

- Numerous food banks which provide groceries and other items to low- and moderate-income families;
- Organizations which provide educational, health, and other social services to low- and moderate-income families;
- Organizations that provides housing, medical treatment and life skills training, and other social services for low- and moderate-income families (including persons who are homeless);
- Organizations that provide services for victims of domestic violence, primarily low- and moderate-income individuals and/or families; and
- Habitat for Humanity, which builds homes in partnership with families in need.

## **Extent to Which the Bank Provides Community Development Services**

CD Services provided by the bank represent responsiveness and demonstrate satisfactory performance.

The bank's retail banking delivery systems are satisfactory. The systems are reasonably accessible to geographies and individuals of different income levels in the AA. Financial services are offered at each branch and business hours do not vary in a manner that inconveniences any portion of the AA, particularly low- to moderate-income geographies and families. The bank has nine banking offices, seven full service and two independent drive-thru facilities. The Springfield office is the only branch without a drive-thru facility. Five branches are in the Lima MSA AA, three branches are in the Non-MSA AA and one branch is in the Springfield MSA AA. Of the five branches located inside the Lima MSA AA, one branch and drive-thru is located in a low-income

census tract in Lima and the others are located in upper-income census tract areas. The Lima MSA AA contains two low-income census tracts and eleven moderate-income census tracts.

Of the three branches in the non-MSA AA, two of the branches are located in middle-income census tract areas while one branch is located in an upper-income census tract. This AA contains only one moderate-income tract and no low-income tracts.

The Springfield branch is located in a moderate-income census tract. This AA contains two low-income census tracts and nine moderate-income census tracts.

The bank maintains six 24-hour ATMs. Three of the ATMs are in the Lima MSA AA and one of these is in a low-income census tract area. The three ATMs located in the Non-MSA AA are located in middle-and upper-income tracts.

CNB employee involvement in CD services is good in the Lima and Non-MSA AA. CNB is represented on major community groups active in meeting housing, service and economic needs of the low-and-moderate income individuals and areas. Bank officers and employees serve on boards or as volunteers for numerous local social service and CD organizations, offering technical assistance and expertise. During the evaluation period, twenty-one bank employees provided CD qualifying services to various organizations. This represents about 15% percent of all bank employees. These organizations provide essential service to low-and moderate-income individuals as well as services to organizations dedicated to promoting economic development and creating or improving jobs for low- or moderate-income geographies and individuals.

CNB participates in several loan programs which target low- and moderate-income borrowers. The Federal Home Loan Bank of Cincinnati (FHLBC) offers a program called "Welcome Home" that provides down payment assistance funds to borrowers who meet the income criteria. Since CNB is a member bank of the FHLBC, they are permitted to use these grants to assist borrowers. The funds are specifically allocated for households whose incomes are below 80% of Mortgage Revenue Bond income limits as adopted by the appropriate state housing finance agency, adjusted for family size. For the evaluation period, the bank closed twenty-one United States Department of Agriculture loans with "Welcome Home" grant funds.

CNB offers loan programs through Freddie Mac, called Home Possible 100 and Home Possible 97. These loans are for borrowers who are at or below the area median income limit. Both of these loan programs reduce the down payment amount at closing to only \$500 of personal funds. During the evaluation period, CNB made 23 Home Possible 97 loans. These programs help low-and moderate-income borrowers by providing more liberal repayment terms, lower down-payments, and higher loan-to-value requirements.

The bank offers a free checking account for customers with a \$50 minimum opening balance and a free savings account with a \$25 minimum opening balance. There is no charge for check cashing for anyone with an account. CNB does not cash checks for non-customers.

### **Responsiveness to Community Development Needs**

CNB is adequately responsive to CD needs of the AAs through CD lending, investments, and services. The Lima MSA AA, Non-MSA AA, and Springfield MSA AA reflect satisfactory performance.

### **Fair Lending or Other Illegal Credit Practices Review**

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