

SAMPLE INTERMEDIATE SMALL INSTITUTION PERFORMANCE EVALUATION
FOR INTERSTATE INSTITUTIONS

PUBLIC DISCLOSURE

(Date of Evaluation)

**COMMUNITY REINVESTMENT ACT
PERFORMANCE EVALUATION**

Name of Depository Institution
Institution's Identification Number

Address of Institution

Name of Supervisory Agency

Address of Supervisory Agency

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.

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* This table of contents is a sample for a multistate institution, and should be adjusted, as appropriate, to reflect the requirements of Section 807 of the CRA (12 USC 2906), and each institution's operations.

INSTITUTION

INSTITUTION'S CRA RATING: This institution is rated: _____.

The Lending Test is rated: _____.

The Community Development Test is rated: _____.

Summarize the major factors supporting the institution's rating. When evidence of discriminatory or other illegal credit practices inconsistent with helping to meet community credit needs has been identified in the supervisory process, the conclusion must include a statement if the rating was influenced by this evidence. The conclusion should not mention any technical violations.

SCOPE OF EXAMINATION

Write a short description of the scope of the examination. At a minimum, discuss the time period covered in the review, the specific lending products reviewed, the names of (any) affiliates reviewed and their corresponding lending products, and how they were considered in the evaluation. Include a description of loan samples used in your analysis.

DESCRIPTION OF INSTITUTION

Write a brief description of the institution's ability to meet the needs of its community, including retail and community development needs, based on its financial condition and size, product offerings, prior performance, legal impediments and other factors. Information that may be important to consider includes relationships with a holding company or affiliates, total assets, asset/loan portfolio mix, primary business focus, branching network, and any merger or acquisition activity.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

Discuss the institution's CRA performance. The facts, data, and analyses that were used to form a conclusion about the rating must be reflected in the performance evaluation. The narrative should clearly demonstrate how the lending and the community development tests, and their respective performance criteria, as well as relevant information from the performance context, factored into the institution's rating.¹ Charts and tables may be used to summarize and effectively present the most critical or informative data used by the examiner in analyzing the institution's performance and reaching conclusions.

¹ The net loan-to-deposit ratio and percentage of loans and other lending-related activity in the assessment area only apply to the institution overall. No discussion of these performance criteria applies to sections of the performance evaluation relating to states, multistate metropolitan areas, and assessment areas.

FAIR LENDING OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

Write a paragraph about the institution's record of complying with laws relating to discrimination or other illegal credit practices inconsistent with helping to meet community credit needs using the following guidelines:

If no substantive violations were found, state that no evidence of discriminatory or other illegal credit practices inconsistent with helping to meet community credit needs was identified. Even if discrimination has not been found, comments related to the institution's fair lending policies, procedures, training programs and internal assessment efforts may still be appropriate.

When substantive violations involving discriminatory or other illegal credit practices inconsistent with helping to meet community credit needs have been identified, state that substantive violations were found, whether they caused the CRA rating to be adjusted downward, and why the rating was or was not adjusted. Identify the law(s) and regulation(s) violated, the extent of the violation(s) (e.g., widespread, or limited to a particular office, division, subsidiary, or affiliate) and characterize management's responsiveness in acting upon the issue(s). Discuss whether the institution has policies, procedures, training programs, internal assessment efforts, or other practices in place to prevent discriminatory or other illegal credit practices. State whether management has taken, or has committed to take, corrective action particularly with respect to voluntary corrective action resulting from self-assessment(s).

MULTISTATE METROPOLITAN AREA

CRA RATING FOR (Name of Multistate Metropolitan Area, including State Names)²:

_____.

The Lending Test is rated: _____.

The Community Development Test is rated: _____.

[Complete for each multistate metropolitan area where an institution has branches in two or more states within the multistate metropolitan area.]

Summarize the major factors supporting the institution's multistate metropolitan area rating. When evidence of discriminatory or other illegal credit practices inconsistent with helping to meet community credit needs have been identified in the supervisory process and were taken into account in the CRA evaluation, the conclusion must include a statement that the rating was influenced by the evidence of discriminatory or other illegal credit practices inconsistent with helping to meet community credit needs. The conclusion should not mention any technical violations.

SCOPE OF EXAMINATION

Write a short description of the scope of the examination within the multistate metropolitan area.

Discuss how CRA activities in the multistate metropolitan area were reviewed (using full-scope or limited-scope review). If meaningful, discuss the time period covered in the review, the specific lending products reviewed, the names of (any) affiliates reviewed and their corresponding lending products, and how they were considered in the evaluation. Include a description of loan samples used in your analysis.

When appropriate, you may also refer the reader to a chart similar to that included in Appendix A.

DESCRIPTION OF INSTITUTION'S OPERATIONS IN *(Name of Multistate Metropolitan Area)*

Describe the institution's operations within the multistate metropolitan area, including a description of each of the assessment area(s) that the bank serves within the multistate metropolitan area. Information that may be important includes: population, median income, employment conditions (including major employers), the number of branches within the assessment area and the number of individuals and geographies in each income category, business opportunities identified through outreach activities, and

²This rating reflects performance within the multistate metropolitan area. The statewide evaluations are adjusted and do not reflect performance in the parts of those states contained within the multistate metropolitan area.

the needs of the community, including community development needs. Include, as appropriate, a discussion of the number and type of CRA-related community contacts that were consulted and relevant information incorporated, if any, in the CRA evaluation. Typically, more detailed information will be presented for assessment areas reviewed using the examination procedures.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN *(Name of Multistate Metropolitan Area)*

Discuss the institution's CRA performance within the multistate metropolitan area. The facts, data, and analyses that were used to form a conclusion about the rating must be reflected in the performance evaluation. The narrative should clearly demonstrate how the lending and the community development tests, and their respective performance criteria, as well as relevant information from the performance context, factored into the multistate metropolitan area rating. Indicate whether the institution's performance in the assessment areas reviewed using a limited-scope review is consistent with the institution's record in assessment areas reviewed using a full-scope review in the multistate metropolitan area. Charts and tables may be used to summarize and effectively present the most critical or informative data used by the examiner in analyzing the institution's performance and reaching conclusions.

STATE

CRA RATING FOR (Name of State)³: _____.

The Lending Test is rated: _____.

The Community Development Test is rated: _____.

[Complete for each state in which an institution has branches if the institution has branches in two or more states. For an institution that has branches in only one state, complete the metropolitan area and nonmetropolitan statewide area presentations only for that state, as applicable in light of the location of the branches.]

Summarize the major factors supporting the institution's state rating. When evidence of discriminatory or other illegal credit practices inconsistent with helping to meet community credit needs have been identified in the supervisory process and were taken into account in the CRA evaluation, the conclusion must include a statement that the rating was influenced by the evidence of discriminatory or other illegal credit practices inconsistent with helping to meet community credit needs. The conclusion should not mention any technical violations.

SCOPE OF EXAMINATION

Write a short description of the scope of the examination within the state. Discuss how CRA activities in the state were reviewed (using full-scope or limited-scope review). If meaningful, discuss the time period covered in the review, the specific lending products reviewed, the names of (any) affiliates reviewed and their corresponding lending products, and how they were considered in the evaluation. Include a description of loan samples used in your analysis. When appropriate, you may also refer the reader to a chart similar to that included in Appendix A.

DESCRIPTION OF INSTITUTION'S OPERATIONS IN (Name of State)

Describe the institution's operations within the state, including a description of each of the assessment area(s) that the bank serves within the state. Information that may be important includes: population, median income, employment conditions (including major employers), the number of branches within the assessment area and the number of individuals and geographies in each income category, business

³For institutions with branches in two or more states in a multistate metropolitan area, this statewide evaluation is adjusted and does not reflect performance in the parts of those states contained within the multistate metropolitan area. Refer to the multistate metropolitan area rating and discussion for the rating and evaluation of the institution's performance in that area.

opportunities identified through outreach activities, and the needs of the community, including community development needs. Include, as appropriate, a discussion of the number and type of CRA-related community contacts that were consulted and relevant information incorporated, if any, in the CRA evaluation. Typically, more detailed information will be presented for assessment areas reviewed using the examination procedures.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN *(Name of State)*

Discuss the institution's CRA performance within the state. The facts, data, and analyses that were used to form a conclusion about the rating must be reflected in the performance evaluation. The narrative should clearly demonstrate how the lending and the community development tests, and their respective performance criteria, as well as relevant information from the performance context, factored into the state rating. Indicate whether the institution's performance in the assessment areas reviewed using a limited-scope review is consistent with the institution's record in assessment areas reviewed using a full-scope review in the state. Charts and tables may be used to summarize and effectively present the most critical or informative data used by the examiner in analyzing the institution's performance and reaching conclusions.

METROPOLITAN AREAS

*(For metropolitan areas with some or all assessment areas
reviewed using full-scope review)*

DESCRIPTION OF INSTITUTION'S OPERATIONS IN *(Name of Metropolitan Area and State)*

Describe the institution's operations within the metropolitan area, including a description of each of the assessment area(s) that the bank serves within the metropolitan area. Information that may be important includes: population, median income, employment conditions (including major employers), the number of branches within the assessment area and the number of individuals and geographies in each income category, business opportunities identified through outreach activities, and the needs of the community, including community development needs. Include, as appropriate, a discussion of the number and type of CRA-related community contacts that were consulted and relevant information incorporated, if any, in the CRA evaluation. Typically, more detailed information will be presented for assessment areas reviewed using the examination procedures.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS *(Name of Metropolitan Area and State)*

Discuss the institution's CRA performance within the metropolitan area. The facts, data, and analyses that were used to form a conclusion about the rating must be reflected in the performance evaluation. The narrative should clearly demonstrate how the lending and the community development tests, and their respective performance criteria, as well as relevant information from the performance context, factored into the metropolitan area rating. Indicate whether the institution's performance in the assessment areas reviewed using a limited-scope review is consistent with the institution's record in assessment areas reviewed using a full-scope review in the metropolitan area. Charts and tables may be used to summarize and effectively present the most critical or informative data used by the examiner in analyzing the institution's performance and reaching conclusions.

METROPOLITAN AREAS

(For each metropolitan area where no assessment areas were reviewed using full-scope review)

DESCRIPTION OF INSTITUTION'S OPERATIONS IN *(Name of Metropolitan Area and State)*

Describe the institution's operations within the metropolitan area, including a description of each of the assessment area(s) that it serves within the metropolitan area. Include key information such as the number of branches within the assessment areas and the number of individuals and geographies in each income category.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN *(Name of Metropolitan Area and State)*

Summarize the facts and data that were reviewed, including demographic information on the assessment areas and information on the institution's performance. Indicate whether the institution's performance in the assessment areas reviewed using a limited-scope review is consistent with the institution's record [overall/in the state], using one of the two following statements:

- a. The institution's [lending, community development] performance in the area is consistent with the institution's [lending, community development] performance overall [or in the state].
- b. The institution's [lending, community development] performance in the area [exceeds/ is below], the institution's [lending, community development] performance for the [institution/ state]; however, it does not change the rating for the [institution/ state].

NONMETROPOLITAN STATEWIDE AREAS⁴

*(if some or all of the assessment areas within the no-metropolitan statewide area
were reviewed using full-scope review)*

DESCRIPTION OF INSTITUTION'S OPERATIONS IN *(Name of Nonmetropolitan Area and State)*

Describe the institution's operations within the nonmetropolitan statewide area, including a description of each of the assessment area(s) that the bank serves within the nonmetropolitan statewide area. Information that may be important includes: population, median income, employment conditions (including major employers), the number of branches within the assessment area and the number of individuals and geographies in each income category, business opportunities identified through outreach activities, and the needs of the community, including community development needs. Include, as appropriate, a discussion of the number and type of CRA-related community contacts that were consulted and relevant information incorporated, if any, in the CRA evaluation. Typically, more detailed information will be presented for assessment areas reviewed using the examination procedures.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN *(Name of Nonmetropolitan Area and State)*

Discuss the institution's CRA performance within the nonmetropolitan statewide area. The facts, data, and analyses that were used to form a conclusion about the rating must be reflected in the performance evaluation. The narrative should clearly demonstrate how the lending and the community development tests, and their respective performance criteria, as well as relevant information from the performance context, factored into the nonmetropolitan statewide area rating. Indicate whether the institution's performance in the assessment areas reviewed using a limited-scope review is consistent with the institution's record in assessment areas reviewed using a full-scope review in the nonmetropolitan statewide area. Charts and tables may be used to summarize and effectively present the most critical or informative data used by the examiner in analyzing the institution's performance and reaching conclusions.

⁴The discussion of an institution's CRA performance within a nonmetropolitan statewide area is only required for institutions with branches in two or more states. A separate discussion of CRA performance within a nonmetropolitan statewide area for intrastate banks that have branches in metropolitan and nonmetropolitan areas is optional because the performance in the nonmetropolitan areas have been reviewed and discussed in the overall evaluation of the institution. Examiners may wish to discuss in greater detail, however, the assessment areas within the nonmetropolitan areas that were reviewed for intrastate banks with branches in metropolitan and nonmetropolitan areas or for intrastate banks with branches only in nonmetropolitan areas.

NONMETROPOLITAN STATEWIDE AREAS⁵

*(if some or all of the assessment areas within the nonmetropolitan statewide area
were reviewed using full-scope review)*

DESCRIPTION OF INSTITUTION'S OPERATIONS IN *(Name of Nonmetropolitan Area and State)*

Describe the institution's operations within the nonmetropolitan statewide area, including a description of each of the assessment area(s) that it serves. Include key information such as the number of branches within each assessment area and the number of individuals and geographies in each income category.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN *(Name of Nonmetropolitan Area and State)*

Summarize the facts and data that were reviewed, including demographic information on the assessment areas and information on the institution's performance. Indicate whether the institution's performance in the assessment areas reviewed using a limited-scope review is consistent with the institution's record [overall/in the state], using one of the two following statements:

- a. The institution's [lending, community development] performance in the area is consistent with the institution's [lending, community development] performance overall [or in the state].
- b. The institution's [lending, community development] performance in the area [exceeds/ is below], the institution's [lending, community development] performance for the [institution/ state]; however, it does not change the rating for the [institution/ state].

⁵The discussion of an institution's CRA performance within a nonmetropolitan statewide area is only required for institutions with branches in two or more states. A separate discussion of CRA performance within a nonmetropolitan statewide area for intrastate banks that have branches in metropolitan and nonmetropolitan areas is optional because the performance in the nonmetropolitan areas have been reviewed and discussed in the overall evaluation of the institution. Examiners may wish to discuss in greater detail, however, the assessment areas within nonmetropolitan areas that were reviewed using the full-scope review for intrastate banks with branches in metropolitan and nonmetropolitan areas or for intrastate banks with branches only in nonmetropolitan areas.

APPENDIX A

SCOPE OF EXAMINATION TABLE

Institutions with multiple assessment areas or affiliates subject to examination may warrant the use of charts that convey information regarding the scope of the examination. The following chart may be used as a supplement to the discussion of the scope or in lieu thereof.

<div>SCOPE OF EXAMINATION</div> <div>[SAMPLE]</div> <div>[Note: Example provided for clarity]</div>			
<div>TIME PERIOD REVIEWED</div>		<div>1/1/95 TO 6/30/96</div>	
<div>FINANCIAL INSTITUTION</div> <div>XYZ State Bank, Grand Rapids, MI</div>			<div>PRODUCTS REVIEWED</div> <div>Small Business</div> <div>Small Farm</div> <div>Consumer Unsecured</div>
<div>AFFILIATE(S)</div>	<div>AFFILIATE RELATIONSHIP</div>		<div>PRODUCTS REVIEWED</div>
<div>XYZ Mortgage Company</div>	<div>Bank subsidiary</div>		<div>Mortgage loans</div>
<div>XYZ Community Investment Corporation</div>	<div>Holding company subsidiary</div>		<div>Investments</div>
<div>XYZ Credit Card Corporation</div>	<div>Holding company subsidiary</div>		<div>Credit Cards</div>

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There is a statutory requirement that the written evaluation of a multistate institution's performance must list the individual branches examined in each state.

LIST OF ASSESSMENT AREAS AND TYPE OF EXAMINATION			
ASSESSMENT AREA	TYPE OF EXAMINATION	BRANCHES VISITED	OTHER INFORMATION
ILLINOIS MSA 19500 Decatur Adams County Nonmetropolitan rural Illinois	Full-scope review Limited -scope review Full-scope review		Mortgage loans not offered in nonmetropolitan rural areas.
MICHIGAN MSA 243401 Grand Rapids City of Marcellus Nonmetropolitan rural Michigan	Full-scope review Full-scope review Limited -scope review		The scope of examination for nonmetropolitan rural Michigan branches, encompasses activities for the past six months, coinciding with their acquisition date.

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