

Peoples Trust & Savings Bank

COMMUNITY REINVESTMENT (CRA) POLICY

PEOPLES TRUST AND SAVINGS BANK COMMUNITY REINVESTMENT ACT POLICY

Peoples Trust and Savings Bank will consider the following types of activities as CRA and community development activities.

1. Strive to maintain, at a minimum, at least 65 percent of all lending within the bank's designated assessment area.
2. Maintain a loan to deposit ratio of at least 60 percent which will reflect both sound asset/liability management efforts, and active community lending efforts.

Assessment Area

The Board of Directors has delineated Peoples Trust and Savings Bank's CRA assessment area as all of Vanderburgh & Warrick Counties of Indiana.

The Board of Directors of Peoples Trust and Savings Bank has determined that the bank will be evaluated under the small bank performance test used by the FDIC.

Peoples Trust and Savings Bank will try to meet the credit and community development needs of its community, within the confines of safe and sound banking operations.

CRA Public File

Peoples Trust and Savings Bank will maintain a CRA Public File and make such file available to the public. The file will be made available for inspection upon request at no cost to the requesting party. The public file will include the following information:

- All written comments received from the public for the current year and each of the prior two calendar years that specifically relate to the bank's performance in helping to meet community credit needs
- All responses made by the bank to written comments received from the public
- Written 30 days of receipt, a copy of the public section of the bank's most recent CRA Performance Evaluation
- A list of services (including hours of operation, available loan and deposit products, and transaction fees) generally offered at the bank and descriptions of any material differences in the availability of cost of services at particular branches (if any)
- A map of the bank's assessment area which identifies the geographies within the area
- The bank's loan-to-deposit ratio for each quarter of the prior calendar year and, at its option, additional data on its loan-to-deposit ratio

- Within three days of receipt, a copy of the HMDA Disclosure Statement provided by the Federal Financial Institutions Examination Council pertaining to the bank for each of the prior two calendar years (if the institution is a HMDA reporting bank)
- Any other information the bank chooses

Note: If the bank has received a less than satisfactory rating at its most recent examination, it shall include in its public file a description of its current efforts to improve its performance in helping to meet the credit needs of its entire community. This information shall be updated quarterly.

Peoples Trust and Savings Bank will provide copies of the information in the public file upon request. The actual cost of copying and applicable mailing charges may be billed to the requesting party.

The bank's CRA Officer will ensure the information in the public file is current as of **March 1** of each year.

CRA Public Notice

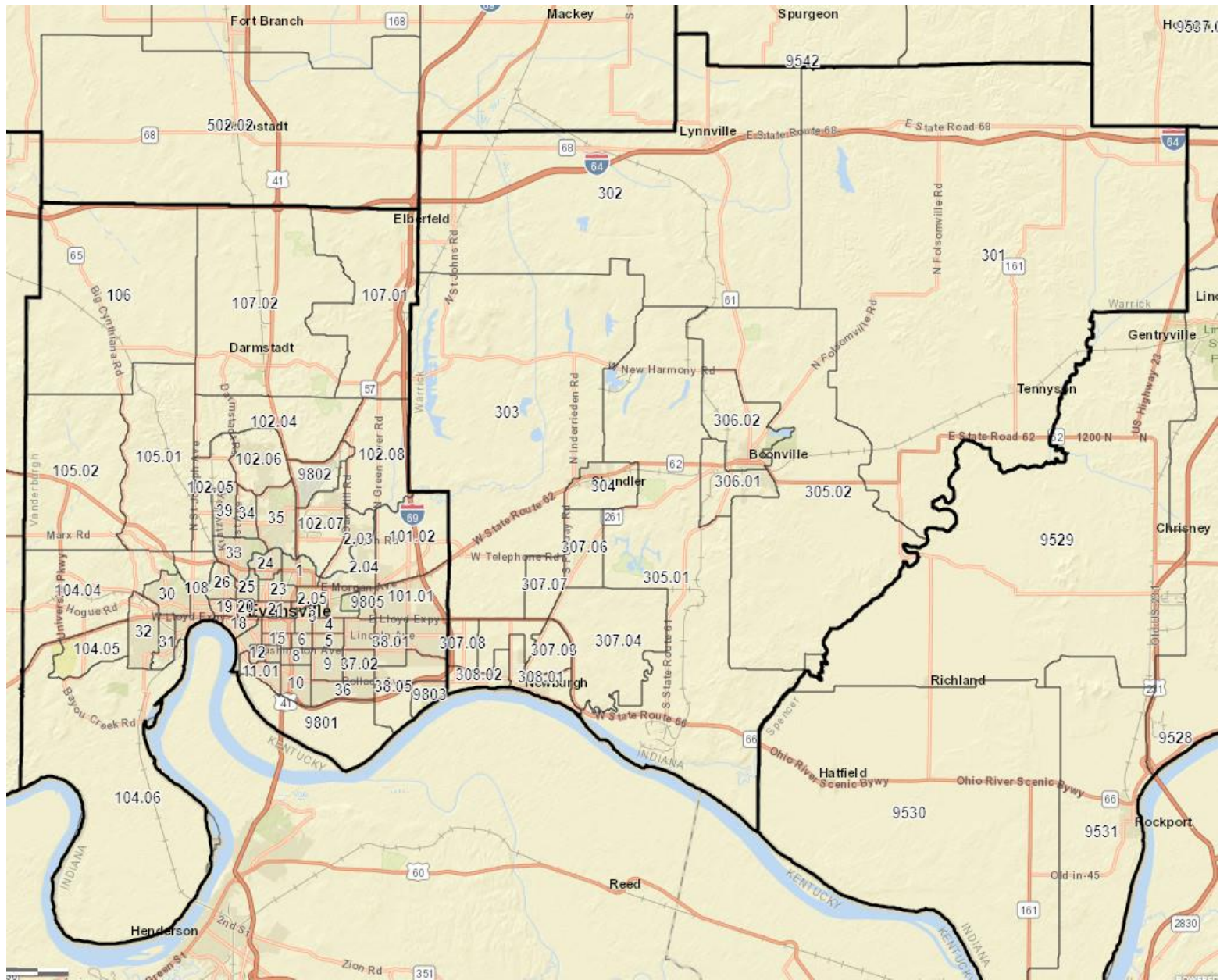
The bank will display a CRA public notice in the public lobby of its main office.

CRA Self-Assessment

Although CRA does not require the bank to perform a self assessment, the Board of Directors is cognizant of the implications of an unsatisfactory CRA rating. A copy of the examiner's performance evaluation is a required part of the bank's CRA Public File. This information may be used by any concerned party to formulate a protest to any of Peoples Trust and Savings Bank upcoming applications. The regulators may deny or conditionally approve an application based on the bank's record of CRA performance.

CRA Officer

Peoples Trust & Savings Bank's current CRA officer is Kyler K. McReynolds. His office is located at the Paradise branch in Newburgh, IN.



Peoples Trust & Savings Bank CRA Assessment Area

Assessment Area Includes: Warrick & Vanderburgh County

Warrick:

Census Tracts: 301, 302, 303, 304, 305.01, 305.02, 306.01, 306.02, 307.02, 307.03, 307.04, 307.06, 307.07, 308.08, 307.09, 308.01, 308.02

Branch Census Tract Information: Boonville / 306.02, Paradise / 307.06, State Street / 308.01

Vanderburgh:

Census Tracts: 1, 2.03, 2.04, 2.05, 3, 4, 5, 6, 8, 9, 10, 11.01, 12, 13, 14, 15, 17, 18, 19, 20, 21, 23, 24, 25, 26, 30, 31, 32, 33, 34, 35, 37.01, 37.02, 38.01, 38.03, 38.05, 39, 101.01, 101.02, 102.04, 102.05, 102.06, 102.07, 102.08, 104.04, 104.05, 104.06, 105.01, 105.02, 106, 107.01, 107.02, 108, 9802, 9803, 9805, 9806

Branch Census Tract Information: Evansville / 101.02

***See Next Page For Map**

Peoples Trust & Savings Bank

Operations & Services

Hours of Operation

Boonville Branch

Lobby: Monday - Thursday 8:30am-4:00pm, Friday 8:30am-5:00pm, Saturday 8:30-12:00pm

Drive Thru: Monday-Thursday 8:00am-5:00pm, Friday 8:00am-5:00pm, Saturday 8:30-12:00pm

Paradise Branch

Lobby: - Monday - Friday 8:30 am-5:00pm, Saturday CLOSED

Drive Thru: Monday - Friday 8:30 am-5:00pm, Saturday 8:30am-12:00pm

State St. Branch

Lobby: Monday - Thursday 8:30 am-4:00pm, Friday 8:30am-5:00pm, Saturday CLOSED

Drive Thru: Monday - Thursday 8:30 am-5:00pm, Friday 8:30am-5:00pm, Saturday CLOSED

Evansville Branch

Lobby: Monday - Thursday 9:00am-5:00pm, Friday 9:00am-5:00pm, Saturday 9:00-12:00pm

Drive Thru: Monday-Thursday 9:00am-5:00pm, Friday 8:00am-5:00pm, Saturday 9:00-12:00pm

Delivery Services

Peoples Trust & Savings Bank offers our customers a variety of methods in which to complete their daily financial transactions. Traditional bank operations for drive thru or walk-in customers occur during the bank's normal hours of operations. Monday – Thursday the lobby at the all three locations closes at 4pm, but customers can come inside if they scheduled an appointment.

Non-automated telephone banking occurs during normal hours of operation. Currently there is no central answering service for all three branches. Customers call each branch individually and can be transferred to another branch if necessary. The bank does have an automated phone banking system that is available 24 hours a day. This system allows customers to check balances, transfer money, and check recent deposits & cashed checks.

The bank also offers free online banking services to all our customers. The systems allow customers to check deposits, transfer funds, print statements, view checks, pay bills, update personal information, & contact the bank. A website is maintained for the bank that is the window into which customers access the online banking services. The website includes account information, lists bank services, bank history, news, and fraud & security blog.

If a customer's wishes to do their transactions through the mail, the bank is able to accommodate them by providing free self-address envelopes for them to use.

Telephone Banking Numbers

Boonville Branch: 812-897-0230

Paradise Branch: 812-842-2265

State St. Branch: 812-842-3017

Evansville Branch: 812-916-7760

Person to Person: Phones at branches are answered by any available staff able to answer the phone at that time. If the bank employee is unable to help the customer, they are transferred to the necessary employee to answer their questions or complete their transaction.

Internet Banking

Online Banking is accessed on the internet through a link on the bank's website. Services offered through online banking includes account balances for deposit & loan accounts, funds transfer, account statement & histories, check & item images, bill payment, bank transfers, update account information, and contacting the bank.

Commercial online banking customers will have to pay additions fees and costs for the cash management system and the ability to scan deposits items remotely if so requested.

The bank also offers a free mobile application for customers. This application also customers the same features included with our online banking, but also includes the capability of mobile deposit.

Wire Transfers

People Trust & Savings Bank offers domestic and international wire transfers to customers. The necessary information to complete the wire must be provided by the customer at the time of the wire. The wire must then be approved by an officer of the bank. The necessary information for a wire transfer must be received by 2:00pm so that there is time to approve & complete the transfer before the 3:00pm cutoff time. Any wire instructions received after 2:00pm will be completed on next business day. The charge for a domestic wire is \$50.00, and an international wire \$75.00.

A Notary Public

At this time, the bank offers a free notary public at all three branches for customers & non-customers. An individual must present a valid id & the non-signed documentation before anything can be notarized.

Counter & Cashier Checks

Free counter checks are offered to all deposit & HELOC customers. The bank also offers the purchase of cashier's check for \$5.00 with some exceptions.

Safety Deposit Boxes

All three Warrick County branches currently offer safety deposit boxes for rental. The boxes are accessible during normal bank operating hours. Safety Deposit boxes are not covered by FDIC insurance and customers are told that storing any valuables in their box needs to be covered by their personal insurance. The Evansville Branch does not offer any boxes for rent.

Account Research & Balancing

The bank offers to our customers account research and account balancing services. In the case of account research, a customer is charged \$35 an hour for research time, \$1 non-official documents, and \$5 for official statements reprints. For account balancing, customers are charged \$35 an hour for service to have a bank employee balance their account for them.

Dated 2/17/2024

Peoples Trust & Savings Bank ATM Locations

Boonville Branch: 2 ATMs located in the Motor Bank in the parking lot of the Boonville Branch. One ATM located on the East side and the other on the West side of the building.

Paradise Branch: 1 ATM located in the 5th row of the Drive Thru at the Branch

State Street Branch: 1 ATM located in the 3rd row of the Drive Thru at the Branch

Evansville Branch: 1 ATM in the first lane of the Drive Thru at the Branch

Updated February 17th, 2024

Peoples Trust & Savings Bank

Branch Openings & Closures

2021: Evansville – May 3rd, 2021

2022: None

2023: None

Peoples Trust & Savings Bank

Non-Traditional Deposit Products

1. Hometown Heros Checking – special checking account for Warrick County employees (Ex: School Corporation, Government Workers, Law Enforcement, etc...)
2. Preferred Checking – special checking account for employees of Business Deposit and/or Loan Customers

Traditional Deposit Products

1. Checking Accounts
2. Savings Accounts
3. Investments Accounts (CD's & IRA's)
4. Trust Services
5. Commercial & Business Banking
6. Health Savings Accounts

Updated 2/23/2023



PEOPLES BANK

FRIENDLY HOMETOWN BANKING

peoplestrust.bank | 812.842.BANK

FEE SCHEDULE

Effective: January 1, 2023

Account Closing Fee	\$50 if closed within 90 days of account opening
Account Monitoring Fee	\$15 per month
Account Research	\$35 per hour
ATM Card Replacement	\$15 per card
Canadian Check Fee	\$20 per item
Cashier's Checks	\$6 per check
Check Copies	No Charge
Checkbook Balancing	\$35 per hour
Coin Fee	\$0.25 per roll for counting, sorting or rolling
Dormant Fee**	\$6 per month
Fax Fee	\$2 per page
Garnishment Fee	\$50 per occurrence
Levy or Attachment Fee	\$50 per occurrence
Night Depository Bags	\$25 per bag with lock
Overdraft Fee*	\$40 per item
	\$10 per day after 3 days of negative balance
Overdraft Protection	\$9 per transfer
Phone Transfer Fee	\$3 per telephone transfer
Returned Item Fee	\$40 per item
Statement Copy	\$5 per statement
Stop Payment Fee	\$35 per item
Wire Transfer Fee	\$50 Domestic Outgoing
	\$70 Foreign Outgoing
	\$30 Incoming

See specific account disclosures for product service charge details

* A fee will be imposed for overdrafts created by share drafts/checks, ACH, Point-of-Sale, ATM Withdrawals, In-Person Withdrawals, or by other electronic means.

** Checking accounts are considered dormant after 12 months of inactivity; savings accounts after 36 months of inactivity.

SAFE DEPOSIT BOXES

Size	Per Year
3 x 5 or 4 x 5	\$30
5 x 5	\$35
3 x 10, 3 x 10.5	\$40
4 x 10.5	\$45
5 x 10 or 5 x 10.5	\$55
8 x 10, 10 x 10, 10 x 10.5	\$65
Late Charge	10%
Minimum Drill Charge	\$150
Key Replacement	\$25

**SAFE DEPOSIT BOX CONTENTS ARE
NOT INSURED BY FDIC OR BY
PEOPLES TRUST AND SAVINGS BANK**

Boonville

132 S. Third Street
Boonville, IN 47601

Paradise

7199 Parker Dr
Newburgh, IN 47630

Newburgh

705 State Street
Newburgh, IN 47630

Evansville

2201 N Green River Road
Evansville, IN 47715





Health Savings Account Information & Fee Schedule

Health Savings Account Feature Summary	Amount/Coverage
Enrollment Fee	\$ 0.00
Minimum Opening Balance	\$ 0.00
Account Closing Fee	\$ 0.00
Monthly Maintenance	\$ 2.50
Interest (Annual Percentage Yield)	<div>\$0.00-\$2,499.00 .50%</div> <div>\$2,500.00-\$9,999.99 1.25%</div> <div>\$10,000.00 + 2.00%</div>
Authorized Signer	Yes
Monthly and Annual Reporting	<div>* Monthly statement itemized contributions and includes imaged check copies</div> <div>* Annual IRS reporting (balance and contributions)</div>
Annual IRS Reporting and updates	1099-SA (distributions), 5498-SA (contributions), and adjustments for prior year contributions
Miscellaneous Fees-overdraft, stop pay, and other miscellaneous fees apply	Per bank fee schedule

For more information, please contact:

Peoples Trust and Savings Bank
P.O. Box 307
132 South Third Street
Boonville, IN 47601
Phone: 812-897-0230
www.peoplestrust.bank

Member FDIC

Peoples Trust and Savings Bank

Regulation CC Funds Availability Disclosure

PURPOSE OF THIS DISCLOSURE. The Expedited Funds Availability Act (Regulation CC) gives the Federal Reserve Board powers to expedite the collection and return of checks. It is Peoples Trust and Savings Bank's policy to make the funds from your deposits available to you as quickly as possible. Peoples Trust and Savings Bank has adopted the following policies for deposits. Savings accounts are not covered under Regulation CC, but the Bank reserves the right to place a hold to guarantee funds.

DETERMINING THE AVAILABILITY OF YOUR DEPOSIT. Funds from your deposits including electronic direct deposits, wire transfers, cash* and checks* will be available the day the deposit is received by Peoples Trust and Savings Bank.

Once the funds are available, you can withdraw the funds in cash and we will use the funds to pay checks that you have written. Even after we have made the funds available to you and you have withdrawn the funds, you are still responsible for checks you deposit that are returned to us unpaid for any other problems involving your deposit.

The length of the delay is counted in Business Days from the day of your deposit. The term "Business Day" means any day other than Saturdays, Sundays, and federal holidays. For the purpose of this disclosure, "Banking Days" are Monday through Friday, excluding federal holidays on which Peoples Trust and Savings Bank is open for carrying on substantially all banking functions.

If you make a deposit before 5:00 p.m. on a Business Day that we are open, we will consider that day to be the day your deposit is received. However, if you make a deposit after 5:00 p.m. or on a day we are not open, we will consider that the deposit was received on the next Business Day we are open.

* If deposits are made in person to an employee of Peoples Trust and Savings Bank, then the funds will be made available on the day we receive your deposit. If deposits are not made in person to an employee, then the funds will be available no later than the next Business Day after the day your deposit is received. Deposits mailed to Peoples Trust and Savings Bank are considered received on the Banking Day they are received by the bank. Deposits to a Peoples Trust and Savings Bank night depository are considered received on the Banking Day the deposit is removed from the night depository and available for processing. Deposits made to a Peoples Trust and Savings Bank night depository after the bank has opened for the day will not be removed from the night depository until the next Banking Day.

LONGER DELAYS MAY APPLY. In some cases, we will not make all of the funds that you deposit by check available to you on the same Business Day of your deposit. Depending on the type of check that you deposit, funds may not be available until the second Business Day after the day of your deposit. The first \$225 of your deposit, however, may be available on the same Business Day.

If we are not going to make all of the funds from your deposit available on the same Business Day, we will notify you at the time you make your deposit. We will also tell you when the funds will be available. If your deposit is not made directly to one of our employees, or if we decide to take this action after you have left the premises, we will mail you the notice by the first Business Day after we receive your deposit.

If you will need the funds from a deposit right away, you should ask us when the funds will be available.

In addition, funds you deposit by check may be delayed for a longer period under the following circumstances:

- We believe a check you deposit will not be paid.
- You deposit checks totaling more than \$5,525 on any one day.
- You redeposit a check that has been returned unpaid.
- You have overdrawn your account repeatedly in the last six months.
- You have held a transaction account with Peoples Trust and Savings Bank for a period of less than 30 days.
- There is an emergency, such as failure of computer or communications equipment.

We will notify you if we delay your ability to withdraw funds for any of these reasons, and we will tell you when the funds will be available. They will generally be available no later than the ninth Business Day after the day of your deposit.

DEPOSITS AT AUTOMATED TELLER MACHINES. Funds from any deposits (cash or checks) made at automated teller machines (ATMs) we do not own or operate will be available by the fifth Business Day after the day of your deposit. (Peoples Trust and Savings Bank does not own or operate any deposit taking ATMs.)

FOREIGN CHECKS. Checks drawn on financial institutions outside of the U.S. (foreign checks) cannot be processed the same as checks drawn on U.S. financial institutions. Foreign checks are exempt from the policies outlined in this disclosure.



PEOPLES BANK

Member
FDIC EQUAL HOUSING
LENDER
NMLS# 229852

BUSINESS BANKING

We believe in a relationship based approach to banking.
Let Peoples Bank be a committed partner in your business.

Call Now 812.842.BANK



Small Business Checking

This account is ideal for new businesses, non-profits, and accounts with moderate activity. It is interest bearing with no minimum balance, up to 300 transaction items per month (\$.25 per additional item), QuickBooks integration, and free online banking and debit cards.



Business Checking

This account is perfect for larger businesses with more monthly activity and a higher monthly balance. With up to 600 items per month (\$.25 per additional item), QuickBooks integration, and free online banking and debit cards, this account is perfect for most businesses.



Business Credit Cards

Our credit card options are purpose built for business. No cost employee cards, fraud monitoring, rewards, and benefit options make this the perfect option for businesses both big and small.



Merchant Processing

Credit Card processing can be a nightmare. Let Peoples Bank take the hassle away with our user friendly Merchant Card Services. Free consultation and analysis. No contract or early termination fees.



Cash Management

Save time, improve your cash flow, and streamline your cash management procedures in a fully secure environment. Features include ACH deposit, direct deposit of payroll, tax payments, account balances, QuickBooks integration, and more!



Business Loans

We offer a full range of business loans that are personalized by our commercial team to fit the needs of each and every customer. Call our commercial team today to schedule an appointment!

FOR MORE INFORMATION
CONTACT US AT

812.842.BANK

www.peoplestrust.bank



**PEOPLES
BANK**

FRIENDLY HOMETOWN BANKING



PEOPLES BANK

Member
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LENDER
NMLS# 229852

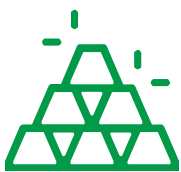
PERSONAL DEPOSITS

Free debit cards, online banking, bill pay, mobile banking, and friendly, hometown service.

Call Now 812.842.BANK



CHECKING



Gold Checking^{*}

- Free Basic Checks
- No Minimum Balance
- No Monthly Service Charge
- Interest Bearing



Platinum Checking

- Higher Interest Rates
- No Minimum Balance
- No Cap on Interest
- No Monthly Service Charge



Hometown Hero Checking^{**}

- Police, Military, Fire, and EMS
- No Minimum Balance
- No Origination Charge on a Home Purchase or Refinance
- No Monthly Service Charge

SAVINGS



Basic Savings[†]

Reward Your Future Self and Start Saving Today!

- No Monthly Service Charge with \$100 Minimum Daily Balance



Young Peoples Savings

Designed for Individuals Under 22
Saving for the Future

- No Monthly Service Charge
- No Minimum Balance



Christmas Club

It's Never Too Early (Or Too Late!) to
Start Saving Up for Christmas! Checks
Are Mailed in October

- No Monthly Service Charge
- No Minimum Balance

FOR MORE INFORMATION
CONTACT US AT
812.842.BANK
www.peoplestrust.bank



PEOPLES BANK
FRIENDLY HOMETOWN BANKING

*Electronic statements are required. \$3 monthly fee for paper statements. Overdraft fees incurred by account holder still apply. **Must be a purchase or refinance from another institution. Only available on primary residence. Available with the following products: PTSB Conventional Mortgage, Main Street Mortgage, and Jumbo Mortgages. Cannot be combined with any other offers. Subject to credit approval. Overdraft fees incurred by account holder still apply. Must provide proof of employment. †\$1 monthly service charge if daily balance falls below \$100.

HOMETOWN HERO

Peoples Bank exclusive account for members of the military, police, fire, or EMS*

Call Now 812.842.BANK

FEATURES OF THE **HOMETOWN HERO CHECKING** ACCOUNT INCLUDE

No Minimum
Opening
Deposit

No Minimum
Balance

No Monthly
Service
Charge**

Free Online
Banking

Interest
up to **16x**
the National
Bank Average†

- Free Online Bill Pay
- Mobile Check Deposit
- Free Debit Card
- ATM Access

PLUS
No origination charges on
a home purchase
or refinance!‡

That is up to
\$915
in savings!

Boonville

132 S Third Street

Newburgh

7199 Parker Drive

Evansville

2201 N Green River Road

FOR MORE INFORMATION
CONTACT US AT
812.842.BANK
www.peoplestrust.bank



PEOPLES BANK
FRIENDLY HOMETOWN BANKING

*Must provide positive proof of employment with either a local, state, or federal entity. **Electronic statements are required. \$3 monthly fee for paper statements. †Source: FDIC. Interest checking account average rate of .03% is based on the \$2,500 product tier as of 3/31/2021. Hometown Hero checking account Annual Percentage Yield (APY) is accurate as of 5/27/2021 and subject to change. Tiered interest: balances of \$0 - \$499.99 earn .10% APY, balances of \$500 and greater earn .50% APY. Fees or other conditions could reduce the earnings on the account. ‡Must be a purchase or refinance from another institution. Only available on primary residence. Available with the following products: PTSB Conventional Mortgage, Main Street Mortgage, and Jumbo Mortgages. Cannot be combined with any other offers. Subject to credit approval.



PEOPLES BANK

Member
FDIC EQUAL HOUSING
LENDER
NMLS# 229852

PEOPLES PREFERRED CHECKING

Peoples Bank now offers a unique and exclusive checking account only available to employees of select businesses.

Call Now 812.842.BANK



FEATURES OF THE **PEOPLES PREFERRED CHECKING** ACCOUNT INCLUDE

Earn a
\$300
cash bonus!¹

- No Monthly Service Charge
- No Minimum Balance
- Free Online Banking

- Free Online Bill Pay
- Mobile Check Deposit
- Free Debit Card
- ATM Access

\$15
Reimbursement
on Non Peoples
Bank ATM Fees²

\$500 Off
Mortgage
Origination Fees³

**.25% Rate
Reduction**
on Consumer Loans⁴

**No Annual
Fees**
on Home Equity
Line of Credit⁴

**Interest
Bearing
Checking**

Boonville

132 S Third Street

Newburgh

7199 Parker Drive

Evansville

2201 N Green River Road

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www.peoplestrust.bank



PEOPLES BANK
FRIENDLY HOMETOWN BANKING

*Must provide proof of employment. Electronic statements are included, \$3 monthly fee for paper statements. Annual Percentage Yield of .05% is accurate as of 8/11/2022 and subject to change after the account is opened. Fees or other conditions could reduce the earnings on the account. A fee of \$50 will be charged if account is closed within 90 days of its opening. 1. Bonus is not available to existing deposit customers. To earn the bonus, you must enroll in Online Banking, sign up for E-Statements and complete 10 debit card POS Payments or receive one ACH Deposit into the account within the first 30 days of account opening. The funds will be deposited into your account within 30 days of meeting the requirements. 2. Peoples Trust and Savings Bank does not currently charge a fee for ATM withdrawals. When you use an ATM not owned by us, you may be charged a fee by the ATM operator or any network used (and you may be charged a fee for a balance inquiry even if you do not complete a fund transfer). Such fees will be charged directly to your account. Daily, as items post to your account, such ATM fees will be reimbursed to your account up to a maximum of \$15.00 each statement cycle. ATM fees not identified within the transaction by the originating ATM owner may not be reimbursed. We only pay interest on the reimbursed amount starting on the day those funds are credited to your account. You are responsible for any tax consequences of this reimbursement. 3. Only available on primary residence purchase or refinance from another lender. Available with the following products: PTSB Conventional Mortgage, Main Street Mortgage, and Jumbo Mortgages. Subject to credit approval. 4. Subject to credit approval.

FACTS

WHAT DOES Peoples Trust & Savings Bank (PTSB) DO WITH YOUR PERSONAL INFORMATION?

Why?

Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.

What?

The types of personal information we collect and share depend on the product or service you have with us. This information can include:

- Social Security number and Income
- Account Balances and Payment History
- Credit History and Credit Scores

When you are *no longer* our customer, we continue to share your information as described in this notice.

How?

All financial companies need to share **customers'** personal information to run their everyday business. In the section below, we list the reasons financial companies can share their **customers'** personal information; the reasons Peoples Trust & Savings Bank chooses to share; and whether you can limit this sharing.

Reasons we can share your personal information	Does PTSB share?	Can you limit this sharing?
For our everyday business purposes— such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus	Yes	No
For our marketing purposes— to offer our products and services to you	Yes	No
For joint marketing with other financial companies	No	We don't share
For our affiliates' everyday business purposes— information about your transactions and experiences	No	We don't share
For our affiliates' everyday business purposes— information about your creditworthiness	No	We don't share
For our affiliates to market to you	No	We don't share
For nonaffiliates to market to you	No	We don't share

Questions?

Call 812-897-0230 or go to www.peoplestrust.bank

Who we are

Who is providing this notice?

Peoples Trust & Savings Bank (PTSB)

What we do

How does **PTSB** protect my personal information?

To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings.

How does **PTSB** collect my personal information?

We collect your personal information, for example, when you

- open an account or deposit money
- pay your bills or apply for a loan
- use your credit and debit card.

We also collect your personal information from others, such as credit bureaus, affiliates, or other companies.

Why can't I limit all sharing?

Federal law gives you the right to limit only

- sharing for affiliates' everyday business purposes—information about your creditworthiness
- affiliates from using your information to market to you
- sharing for nonaffiliates to market to you

State laws and individual companies may give you additional rights to limit sharing.

Definitions

Affiliates

Companies related by common ownership or control. They can be financial and nonfinancial companies.

- *Peoples Trust & Savings Bank does not share with our affiliates.*

Nonaffiliates

Companies not related by common ownership or control. They can be financial and nonfinancial companies.

- *Peoples Trust & Savings Bank does not share with nonaffiliates so they can market to you.*

Joint marketing

A formal agreement between nonaffiliated financial companies that together market financial products or services to you.

- *Peoples Trust & Savings Bank doesn't jointly market.*

Other important information

Peoples Trust & Savings Bank

Non-Traditional Loan Products

1. SBA Commercial Loan Program

Traditional Loan Products

1. Residential Real Estate Loans
2. Consumer Credit Loans (Car, Motorcycle, and others)
3. Commercial Loans
4. Agricultural Loans
5. Lines of Credit
6. Letters of Credit
7. Single-Pay Notes
8. Unsecured Loans
9. Loans Secured by Deposits

Updated 2/17/2024

Peoples Trust & Savings Bank

Loan Fees

(Revised 3/12/2024)

Consumer

Document preparation fee	\$190.00 or 2%, whichever is less
Vehicle Title fee	\$15.00
DDI Technology	\$6.50 (if title is filed electronically)

Construction

Document preparation fee	.5 point or \$990 whichever is greater
Wire fee	\$50

Third party fees

Title	\$775 plus insurance premium (also varies on whether borrower already owns property)
Loan Title Policy	\$250
Owners Title Policy	300
Appraisal	\$485 (varies based on appraisal company)
Flood	\$24
Recording fee	\$115
Release fee	\$25
Completion certificate	\$190 (varies slightly)
Credit report	\$78
Verification of Employment	\$71.50
Appraisal Review	\$135
Survey	\$500

Mortgage

Document packaging	\$990 or 2%, whichever is less.
Wire fee	\$50

Third party fees

Appraisal	\$485 (varies due to appraisal company utilized)
Credit report	\$78
Mortgage recording	\$55
Deed recording	\$25
Sales disclosure recording	\$25
Title SMR	\$200 (varies slightly)
Title fee for purchase	\$775 + insurance premium
Title fee for refinance	\$250 + insurance premium
Loan Title Policy	\$250
Owners Policy	\$300
Flood monitoring	\$24
Mortgage release	\$25
Wire	\$50
Verification of Employment	\$71.5
Appraisal Review	\$135

Home Equity Line of Credit

Annual fee	\$50
Mortgage recording	\$55
Mortgage release	\$25

Credit bureau	\$78
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*If not opening a first mortgage at the same time, borrower may need the following

Title SMR	\$200 (varies slightly)
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Appraisal	\$485 (varies based upon appraisal company utilized)
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Commercial

Commercial renewal fee	varies (subject to change)
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Commercial origination	varies (subject to change)
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UCC recording/release	\$15
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Flood	\$24
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Mortgage recording	\$55 all IN counties except Marion. Also varies by state
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Mortgage release	\$25 all IN counties except Marion. Also varies by state
------------------	--

Commercial appraisal	Varies
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Title Charges	Varies
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Second review of appraisal	\$250
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Completion Certificate	\$350 (varies based upon appraisal company utilized)
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Letter of credit	Negotiable
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Letter credit renewal	Negotiable
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Commercial construction	Negotiable
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Payoff Fee	\$25
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SBA

Packaging fee	1% up to \$2,500 (negotiable)
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PUBLIC DISCLOSURE

March 7, 2023

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Peoples Trust and Savings Bank
Certificate Number: 13113

132 S 3rd St.
Boonville, IN 47601

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

300 South Riverside Plaza, Suite 1700
Chicago, Illinois 60606

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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INSTITUTION RATING

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

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

- The loan-to-deposit (LTD) ratio is reasonable given the institution's size, financial condition, and assessment area (AA) credit needs.
- A majority of loans and other lending related activities are in the institution's AA.
- The geographic distribution of loans reflects reasonable dispersion throughout the AA.
- The distribution of borrowers reflects, given the demographics of the AA and market conditions, reasonable penetration of loans among individuals of different income levels and businesses of different sizes.
- The institutions has not received any CRA-related complaints since the previous evaluation; therefore, this criterion did not affect the rating.

DESCRIPTION OF INSTITUTION

Peoples Trust and Savings Bank (PTSB) is located in Boonville, Indiana (Warrick County) and operates in the southwestern portion of Indiana. It is wholly-owned by Peoples Bancshares Corp, a single-bank holding company also based in Boonville, Indiana. The bank has no subsidiaries or affiliates that offer credit products. The institution received a satisfactory rating at its previous FDIC Performance Evaluation dated February 21, 2017, based on the Small Institution CRA Examination Procedures.

The four banking offices (including the main office) are located in the following towns: Boonville (one office); Newburgh (two offices); and Evansville (one office). The Evansville office, located in Vanderburgh County, opened on May 3, 2021. No offices were closed during the evaluation period. No merger or acquisition activity occurred.

The institution offers residential mortgage, consumer, and business loans, primarily focusing on home mortgage and commercial lending. The institution provides a variety of deposit services including checking and savings accounts, and certificates of deposit. Alternative banking services include internet and mobile banking, and electronic bill payment.

According to the Consolidated Report of Condition (Call Report) dated December 31, 2022, the bank had total assets of \$255.2 million; total loans of \$194.6 million; total deposits of \$226.8 million; and total equity capital of \$28.0 million. As of the same date, the net LTD ratio was 85.6 percent, and the net loans-to-total assets ratio was 76.1 percent. The following table illustrates the

loan portfolio as of December 31, 2022. The major categories of loans by dollar volume are home mortgages (including multi-family) and commercial (including real estate), at 67.8 percent and 26.5 percent, respectively. Examiners did not identify any financial, legal, or other impediments that affect the bank's ability to meet the assessment area credit needs.

Loan Portfolio Distribution as of 12/31/2022		
Loan Category	\$(000s)	%
Construction and Land Development	9,716	5.0
Secured by Farmland	118	0.1
1-4 Family Residential	130,469	67.1
Multi-family (5 or more) Residential	1,408	0.7
Commercial Real Estate	43,329	22.3
Total Real Estate Loans	185,040	95.2
Commercial and Industrial	8,257	4.2
Agricultural	0	0.0
Consumer	1,261	0.6
Other	0	0.0
Less: Unearned Income	0	0.0
Total Loans	194,558	100.0
<i>Source: Reports of Income and Condition</i>		

DESCRIPTION OF ASSESSMENT AREA

The CRA requires each financial institution to define one or more AAs within which to evaluate its CRA performance. PTSB designated a single, contiguous AA, which comprises all of Warrick and Vanderburgh Counties in Indiana. Vanderburgh County was added since the previous evaluation due to the May 3, 2021 Evansville office opening. The AA is located in the Indiana portion of the Evansville, Indiana-Kentucky Metropolitan Statistical Area (MSA) and includes only part of this MSA. The AA conforms to CRA requirements, consists of whole geographies, does not arbitrarily exclude low- or moderate-income areas, includes all of the geographies where the bank's offices are located, and does not reflect illegal discrimination.

Economic and Demographic Data

According to 2020 Census Data, census tracts within the AA reflect the following income category designations:

- 10 low-income tracts
- 17 moderate-income tracts
- 23 middle-income tracts
- 19 upper-income tracts and
- 6 tracts with no income designation.

The following table illustrates select demographic characteristics of the AA. Since the last evaluation, the bank expanded its AA to include Vanderburgh County, which added 10 low-income

and 17 moderate-income census tracts. The 2020 U.S. Census data for demographics and census tract boundaries is used as a comparison for the 2022 lending data reviewed in this evaluation. This AA section addresses the 2020 U.S. Census data unless otherwise noted. However, for the 2021 lending data analyzed at this evaluation, the 2010 U.S Census boundary data is used for the census tract boundaries, while the 2015 American Community Survey (ACS) data is used for the demographic information.

Changes occurred in the census tract income category designations between the U.S. Censuses. Using the 2015 ACS, 60 census tracts were present in the AA with the following income category designations: 10 low-income; 13 moderate-income; 22 middle-income; 13 upper-income; and 2 tracts with no income category. The total number of census tracts in the AA increased to 75 in the 2020 U.S. Census. In addition, the number of moderate-income census tracts increased by 4 to 17 in total, with low-income census tracts remaining at 10 in total. However, the bank's AA did not include any low- or moderate-income census tracts until Vanderburgh County was added.

Demographic Information of the Assessment Area						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	75	13.3	22.7	30.7	25.3	8.0
Population by Geography	244,034	9.2	22.5	32.8	35.3	0.2
Housing Units by Geography	110,787	10.9	24.5	33.6	30.6	0.5
Owner-Occupied Units by Geography	69,374	6.1	19.2	37.5	36.9	0.2
Occupied Rental Units by Geography	31,327	17.1	34.2	27.8	20.4	0.6
Vacant Units by Geography	10,086	24.6	30.7	24.7	18.4	1.6
Businesses by Geography	24,010	8.5	21.6	26.4	36.3	7.2
Farms by Geography	810	3.6	11.9	42.8	39.8	2.0
Family Distribution by Income Level	63,662	20.8	17.7	20.8	40.8	0.0
Household Distribution by Income Level	100,701	23.2	16.8	17.6	42.4	0.0
Median Family Income MSA - 21780 Evansville, IN-KY MSA		\$72,963	Median Housing Value			\$138,532
			Median Gross Rent			\$838
			Families Below Poverty Level			9.0%
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.						

The AA contains 110,787 housing units, of which 62.6 percent are owner-occupied, 28.3 percent are occupied rental units, and 9.1 percent are vacant. Mobile homes and trailers comprise 3.2 percent of the housing units. Examiners use the distribution of owner-occupied housing units by tract income level to evaluate home mortgage loans under the Geographic Distribution criterion.

Examiners utilized the 2021 FFIEC-updated median family income levels to analyze home mortgage loans under the Borrower Profile criterion. The following table represents the low-, moderate-, middle-, and upper-income categories for the AA.

Median Family Income Ranges				
Median Family Incomes	Low <50%	Moderate 50% to <80%	Middle 80% to <120%	Upper ≥120%
Evansville, IN-KY MSA Median Family Income (21780)				
2021 (\$78,400)	<\$39,200	\$39,200 to <\$62,720	\$62,720 to <\$94,080	≥\$94,080
<i>Source: FFIEC</i>				

Of non-farm businesses within the AA, 86.3 percent have Gross Annual Revenues (GARs) of \$1 million or less, while 4.2 percent have revenues over \$1 million, and 9.5 percent have unknown or unreported revenues. Approximately 60.4 percent of AA businesses have four or fewer employees, and 90.3 percent operate from a single location. The largest industry sector is the service industry, which comprises of 34.0 percent of businesses, followed by non-classifiable establishments (22.8 percent), finance and insurance (13.3 percent), and retail trade (10.6 percent).

Data obtained from the U.S. Bureau of Labor Statistics indicates that the two counties in the AA had unemployment rates consistently at or below the state and national levels in recent years. The following table illustrates unemployment rates.

Unemployment Rates			
Area	2020	2021	December 2022
	%	%	%
Warrick County	5.5	2.6	2.1
Vanderburgh County	7.2	3.6	2.3
State of Indiana	7.3	3.9	3.1
National Average	8.3	3.9	3.5
<i>Source: Bureau of Labor Statistics</i>			

Competition

The AA is a highly competitive market for financial services. According to the FDIC Deposit Market Share data as of June 30, 2022, 15 financial institutions operated 66 banking offices within the two counties that comprise the AA. Of these institutions, PTSB ranked 7th with 2.3 percent of the deposit market share.

There is a moderate level of competition for home mortgage loans throughout the AA. PTSB was not subject to the Home Mortgage Disclosure Act (HMDA) in 2021 and was not required to collect or report home mortgage data. As PTSB was not a HMDA reporter in 2021, analysis of home mortgage loans within the Lending Test does not include comparisons to HMDA aggregate data. Although PTSB's lending is not included within the following figures, HMDA aggregate data is useful to illustrate overall demand in the AA. The 2021 HMDA aggregate data shows that 340 lenders originated 18,218 loans totaling \$3.1 billion. The top five institutions by number were credit

unions, national mortgage companies and locally-based banks, and commanded 39.3 percent of the market share.

There is a high level of competition for small business loans throughout the AA. In 2021, the most recent year for which CRA aggregate data is available, 83 reporting lenders granted 4,392 small business loans totaling more than \$302.8 million within the two counties where PTSB operates. PTSB is not required to report small business lending data; therefore, it is not included in the aggregate data. Like HMDA, examiners used the aggregate data to illustrate local demand, but did not compare the bank's activities to it in the Lending Test.

Community Contacts

As part of the evaluation process, examiners contact third parties active in the AA to obtain additional perspective on local credit needs. This information helps determine whether local financial institutions are responsive to these needs. It also helps show what credit opportunities are available. Examiners reviewed one recently completed community contact with an economic development organization that serves the AA. The contact specified that education and business support services are needed for women-owned and minority-owned businesses. Further, education on small business ownership is an opportunity for financial institutions. Additionally, the contact stated that mortgage loans, small business loans, and affordable housing are always needs in the community.

Credit Needs

Considering information from the community contact, bank management, and demographic and economic data, examiners determined that small business and home mortgage lending represent the primary credit needs in the AA. Additionally, affordable housing, community services, and job creation/retention are community needs.

SCOPE OF EVALUATION

General Information

This evaluation covers the period from the prior evaluation dated February 21, 2017 to the current evaluation dated March 7, 2023. Examiners utilized the Interagency Small Institution Examination Procedures to evaluate PTSB's CRA Performance. The first appendix in this evaluation contains descriptions of the performance criteria. This evaluation does not consider any lending activity performed by affiliates.

Activities Reviewed

Examiners determined that the bank's primary products are home mortgage and small business loans. This conclusion considered the bank's business strategy, portfolio composition, and the number and dollar amount of loan originations during the evaluation period. Bank records show that the lending focus and product mix remained consistent throughout the evaluation period. While

the bank originates consumer and small farm loans, they do not represent significant portions of the bank's portfolio and do not provide material support for conclusions or ratings; therefore, examiners did not evaluate them.

PTSB was not subject to HMDA data collection requirements until 2022. Therefore, examiners used bank data to review the 2021 home mortgage loans. The entire universe of 2021 home mortgage loans was analyzed for the Assessment Area Concentration and Geographic Distribution criteria. The 2021 universe was 235 home mortgage loans totaling \$57.0 million. For the Borrower Profile criterion, examiners selected and reviewed a sample of 51 loans totaling \$10.6 million that were granted within the AA. The sample represents a 90.0 percent confidence interval with a 10.0 percent precision level.

The bank's home mortgage lending performance was generally consistent between 2021 and 2022; therefore, examiners presented only the 2021 activity in the Geographic Distribution and Borrower Profile sections. Examiners did not include the 2021 HMDA aggregate data in these sections, as the bank was not subject to HMDA until 2022, as noted earlier.

Examiners used bank records to analyze and present all of the small business loans originated in 2022, as applicable. The 2022 universe was 41 loans totaling \$15.5 million.

The bank's record of originating home mortgage loans contributed the most weight to overall conclusions, followed by small business loans. This determination is a function of the bank's level of originations within the two categories, as well as their proportions of the bank's loan portfolio. A review of the bank's lending in other years, as well as discussions with bank management, confirm that the bank's 2021 home mortgage and 2022 small business performance is representative of the entire evaluation period.

Examiners reviewed the total number and dollar volume of home mortgage and small business loans, but emphasized performance by number, as it is a better indicator of the number of individuals and businesses served. Examiners used U.S. Census data and D&B data as standards of comparison. The 2022 lending was compared to the 2020 U.S. Census data, while the 2021 lending was compared to the 2015 ACS data.

CONCLUSIONS ON PERFORMANCE CRITERIA

LENDING TEST

PTSB exhibited satisfactory performance under the Lending Test.

Loan-to-Deposit Ratio

The LTD ratio is reasonable (considering seasonal variations and taking into account lending related activities) given the institution's size, financial condition, and AA credit needs. The bank's LTD Ratio, calculated from Call Report Data, averaged 84.2 percent over the previous twenty-four calendar quarters from March 31, 2017 to December 31, 2022. The bank's ratio fluctuated from a low of 76.2

percent on March 31, 2017, to a high of 90.0 percent on December 31, 2018. Examiners selected comparable institutions based on asset size, geographic location, and lending focus. As shown in the following table, PTSB exceeded the ratios of two similarly-situated institutions and was lower than one. Similarly-situated institutions one and two are located in the AA.

Loan-to-Deposit Ratio Comparison		
Bank	Total Assets as of 12/31/2022 \$(000s)	Average Net LTD Ratio (%)
Peoples Trust and Savings Bank	255,181	84.2
Similarly-situated Institution #1	62,631	92.9
Similarly-situated Institution #2	154,151	73.5
Similarly-situated Institution #3	180,715	81.7
<i>Source: Reports of Income and Condition</i>		

Assessment Area Concentration

A majority of loans and other lending related activities are in the institution's AA. As shown in the following table, PTSB originated majorities by both number and dollar volume within the AA.

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										
2021	190	80.9	45	19.1	235	43,019	75.5	13,980	24.5	56,999
2022	150	90.4	16	9.6	166	37,907	93.7	2,541	6.3	40,448
Subtotal	340	84.8	61	15.2	401	80,926	83.0	16,521	17.0	97,447
Small Business										
2022	33	80.5	8	19.5	41	13,471	87.1	1,995	12.9	15,466
Grand Total	373	84.4	69	15.6	442	94,397	83.6	18,516	16.4	112,913
Source: Bank Data. Due to rounding, totals may not equal 100.0%										

Geographic Distribution

The geographic distribution of loans reflects reasonable dispersion throughout the AA. Reasonable performance for home mortgage and small business lending supports this conclusion. In addition, examiners considered performance factors, such as the recent office opening in Evansville, Indiana and office locations in relation to the low- and moderate-income census tracts.

Home Mortgage Loans

The geographic distribution of home mortgage loans reflects reasonable dispersion throughout the AA after considering contextual factors. Those factors include the recent opening of the Evansville office, the large number of competing financial institutions near that branch, and the office distance from the majority of the low- and moderate-income census tracts. Lending in both low- and

moderate-income census tracts is well below the percentage of owner-occupied housing units. The following table shows the distribution of home mortgage loans and percentage of owner-occupied housing units within each tract income level.

Geographic Distribution of Home Mortgage Loans					
Tract Income Level	% of Owner-Occupied Housing Units	#	%	\$(000s)	%
Low					
2021	6.8	4	2.1	242	0.6
Moderate					
2021	14.0	12	6.3	2,068	4.8
Middle					
2021	39.4	75	39.5	15,281	35.5
Upper					
2021	39.8	99	52.1	25,428	59.1
Not Available					
2021	0.1	0	0.0	0	0.0
Totals					
2021	100.0	190	100.0	43,019	100.0
<i>Source: 2015 ACS; Bank Data, 2021 HMDA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%</i>					

All low- and moderate-income census tracts fall within Vanderburgh County. PTSB opened the sole Evansville branch location in Vanderburgh County in May 2021, within a moderate-income tract, which changed to an upper-income tract in 2022. Thus, no low- or moderate-income census tracts were in the AA prior to this Evansville branch opening. While the new branch location borders some low- and moderate-income tracts in Evansville, a majority of the low- and moderate-income tracts are four or more air miles from this branch location. Additionally, banking competition in Vanderburgh County is high. Twelve other commercial banks and savings institutions operate 48 branch locations within Vanderburgh County, approximately 23 of which are located within three miles of the Evansville branch. Furthermore, 11.2 percent of PTSB deposits are located at the Evansville branch as of June 30, 2022.

Finally, while PTSB was not a HMDA reporter in 2021, aggregate data shows that 3.9 percent and 13.0 percent of competitors' lending was in low- and moderate-income census tracts, respectively. In 2022, PTSB had lending of 2.0 percent in the low-income tracts and 4.7 percent in the moderate-income tracts. The bank's 2022 lending was much lower than the owner-occupied housing level (2020 U.S. Census data) of 6.1 percent and 19.2 percent in the low- and moderate-income census tracts, respectively. HMDA aggregate data for 2022 is not yet available, but increasing mortgage loan rates and a stunted housing supply slowed the housing market. The new branch location, distance from majority of the low- and moderate-income tracts, and area competition demonstrate challenges the bank faces within the AA. Given these factors, performance is reasonable.

Small Business Loans

The geographic distribution of small business loans reflects reasonable dispersion throughout the AA, considering contextual factors. Lending in both low- and moderate-income census tracts is well below the percentages of businesses. The following table shows the distribution of small business loans and the percent of business within each tract income level.

As previously discussed, all low- and moderate-income tracts fall within Vanderburgh County. PTSB opened its sole branch location in Vanderburgh County in May of 2021, and that office is four or more air miles from the majority of the low- and moderate-income census tracts. Banking competition is intense in Vanderburgh County with twelve other commercial banks and savings institutions operating 48 branch locations. Those competitors have 23 locations within three miles of the Evansville branch.

The amount of time PTSB has operated in Vanderburgh County, distance from the majority of the low- and moderate-income tracts, and area competition demonstrate challenges the bank faces within the AA. Given these factors, performance is reasonable.

Geographic Distribution of Small Business Loans					
Tract Income Level	% of Businesses	#	%	\$(000s)	%
Low					
2022	8.5	1	3.0	58	0.4
Moderate					
2022	21.6	2	6.1	578	4.3
Middle					
2022	26.4	5	15.2	5,222	38.8
Upper					
2022	36.3	25	75.8	7,613	56.5
Not Available					
2022	7.2	0	0.0	0	0.0
Totals					
2022	100.0	33	100.0	13,471	100.0
<i>Source: 2022 D&B Data; Bank Data; "--" data not available. Due to rounding, totals may not equal 100.0%</i>					

Borrower Profile

The distribution of borrowers reflects, given the demographics of the AA, reasonable penetration among borrowers of different income levels (including low- and moderate-income). Poor performance occurred for the small business loans. The overall conclusion is supported by reasonable distribution among the low- and moderate-income borrowers for the home mortgage loans.

Home Mortgage Loans

Overall, the distribution of home mortgage lending reflects reasonable penetration among individuals of different income levels, including low- and moderate- income borrowers, given the demographics of the AA and compensating factors.

As shown in the following table, PTSB's lending to low-income borrowers is below the percentage of low-income families, but is reasonable considering the poverty level of 11.0 percent (2015 ACS data). Families with incomes below the poverty level generally do not have the capacity to support a home mortgage, limiting the demand and opportunity for lending to low-income borrowers.

Lending to moderate-income borrowers significantly exceeded the corresponding percentage of families.

Distribution of Home Mortgage Loans by Borrower Income Level					
Borrower Income Level	% of Families	#	%	\$(000s)	%
Low					
2021	21.4	4	7.8	325	3.1
Moderate					
2021	17.6	15	29.4	2,208	20.7
Middle					
2021	20.4	8	15.7	1,721	16.2
Upper					
2021	40.7	24	47.1	6,392	60.1
Not Available					
2021	0.0	0	0.0	0	0.0
Totals					
2021	100.0	51	100.0	10,646	100.0
<i>Source: 2015 ACS; Bank Data, 2021 HMDA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%</i>					

Small Business Loans

The distribution of small business lending, given the demographics of the AA, reflects poor penetration among businesses of different sizes. As illustrated in the following table, PTSB's lending to businesses with GARs of \$1.0 million or less significantly trailed the business population in that revenue range. The bank's performance is partially attributable to strong competition for small business loans from large lenders. However, given that a significant majority (86.3 percent) of businesses have GARs of \$1.0 million or less, PTSB's performance is poor.

Distribution of Small Business Loans by Gross Annual Revenue Category					
Gross Revenue Level	% of Businesses	#	%	\$(000s)	%
<=\$1,000,000					
2022	86.3	9	27.3	5,576	41.4
>\$1,000,000					
2022	4.2	22	66.7	7,722	57.3
Revenue Not Available					
2022	9.5	2	6.1	173	1.3
Totals					
2022	100.0	33	100.0	13,471	100.0
Source: 2022 D&B Data; Bank Data; "--" data not available. Due to rounding, totals may not equal 100.0%					

Response to Complaints

The institution did not receive any CRA-related complaints since the previous evaluation; therefore, this criterion did not affect the rating.

DISCRIMINATORY OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

Examiners reviewed the bank's compliance with laws relating to discrimination and other illegal credit practices, including the Fair Housing Act and the Equal Credit Opportunity Act. Examiners did not identify any evidence of discriminatory or other illegal credit practices; therefore, this consideration did not affect the institution's CRA rating.

APPENDICES

SMALL BANK PERFORMANCE CRITERIA

Lending Test

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

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

GLOSSARY

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

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

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

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

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

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

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

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

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

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

Full-Scope Review: A full-scope review is accomplished when examiners complete all applicable interagency examination procedures for an assessment area. Performance under applicable tests is analyzed considering performance context, quantitative factors (e.g., geographic distribution, borrower profile, and total number and dollar amount of investments), and qualitative factors (e.g., innovativeness, complexity, and responsiveness).

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

Home Mortgage Disclosure Act (HMDA): The statute that requires certain mortgage lenders that do business or have banking offices in a metropolitan statistical area to file annual summary reports of their mortgage lending activity. The reports include such data as the race, gender, and the income of applicants; the amount of loan requested; and the disposition of the application (approved, denied, and withdrawn).

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

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

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

Low-Income: Individual income that is less than 50 percent of the area median income, or a median family income that is less than 50 percent in the case of a geography.

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

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

Metropolitan Division (MD): A county or group of counties within a CBSA that contain(s) an urbanized area with a population of at least 2.5 million. A MD is one or more main/secondary

counties representing an employment center or centers, plus adjacent counties associated with the main/secondary county or counties through commuting ties.

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

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

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

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

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

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

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

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

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

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

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

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

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

CRA Public Comments

None As of March 12th, 2024