



PUBLIC DISCLOSURE

February 17, 2025

**COMMUNITY REINVESTMENT ACT
PERFORMANCE EVALUATION**

Farm Bureau Bank, FSB
Charter number 715205

10345 Professional Circle, Suite 100
Reno, NV 89521

Office of the Comptroller of the Currency

10001 Reunion Place, Suite 250
San Antonio, TX 78216

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

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Overall CRA Rating

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

The lending test is rated: Satisfactory.

The community development test is rated: Satisfactory.

The major factors that support this rating include:

- The bank exhibits a reasonable geographic distribution of loans.
- The bank exhibits a reasonable distribution of loans by borrower income.
- The bank exhibits adequate responsiveness to community development (CD) needs within its assessment areas (AAs).

In addition to the activities considered at the AA level, we considered the following activities bank-wide:

- The bank's loan-to-deposit (LTD) ratio is more than reasonable.
- The bank offers a full range of loan and deposit products and services, including alternative delivery systems such as online, mobile, and telephone banking. Products and services are offered to all market areas.

Loan-to-Deposit Ratio

Considering the bank's size, financial condition, and credit needs of the AA(s), the bank's loan-to-deposit ratio is more than reasonable.

The bank's quarterly LTD ratio calculated on a bank-wide basis for the 16-quarter evaluation period was 87.1 percent. Over the same time frame, the LTD ratio ranged from a low of 74.6 percent at December 31, 2024, to a high of 100.4 percent at September 31, 2022.

The bank's quarterly average LTD ratio is higher than the quarterly average LTD ratio for five similarly situated institutions. The similarly situated institution's quarterly average LTD was 75.0 percent ranging from a low of 55.9 percent to a high of 95.7 percent.

Lending in Assessment Area

A substantial majority of the bank's loans are outside its AAs.

The bank originated and purchased 0.8 percent of its total loans inside the bank's AAs during the evaluation period. This analysis is performed at the bank, rather than the AA, level. This percentage does not include extensions of credit by affiliates that may be considered under the other performance criteria.

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		
	#	%	#	%		\$	%	\$	%	
Consumer	249	0.8	32,034	99.2	32,283	8,067	1.1	704,478	98.9	712,545
Total	249	0.8	32,034	99.2	32,283	8,067	1.1	704,478	98.9	712,545

The primary loan product for the bank is consumer loans. The bank's performance in this area is reasonable after performance context considerations. The bank operates under a unique business model with a limited physical presence, operating only two branches with limited activity at either. Most of the bank's business, loans, and deposits come from outside the AAs, via phone, online banking, and mobile banking, due to business being driven by referrals from Farm Bureau Federation agents across the country. The bank's performance in this area improved, with both the number and dollar amount of consumer loans originated inside the AAs doubling over performance in the prior evaluation.

Description of Institution

Farm Bureau Bank, FSB (FBB) is an interstate bank headquartered in Reno, NV. FBB is wholly owned by FB Bancorp, a one-bank holding company also headquartered in Reno, NV. There was no merger or acquisition activity during the evaluation period.

The bank primarily serves Farm Bureau Federation members in 44 states. Although most of the bank's customers are Farm Bureau members, membership is not a requirement to become a bank customer. While the Farm Bureau Federation has members nationwide, a significant amount of the bank's activity comes from rural and agricultural areas in the southeast United States.

FBB's business model is unique as it operates with a limited physical presence and primarily delivers products and services through direct mail, telephone banking, mobile banking, online banking (www.farmbureau.bank), and Farm Bureau Federation agents. Farm Bureau agents refer business to the bank and are not bank employees. Since these agents do not accept deposits or applications, they are not considered branches. FBB operates two locations, one in Reno, NV and one in San Antonio, TX. The Reno, NV location is the bank's main office and is a full-service branch. The San Antonio, TX location serves as the bank's operations center and administrative office but is open to customers. During the evaluation period, there were no branch openings or closures. However, the bank's main location was moved from Sparks, NV to Reno, NV in 2020. The bank does not have any automated teller machines (ATMs).

FBB offers a full range of products and services, including deposit accounts, credit cards, and lending products. The bank receives most of its deposits and loan payments by mail, mobile deposit, or wire transfer. With their non-physical infrastructure and their national focus, FBB does not truly have a significant deposit market share in any geographical location. The geographical areas of higher loan and deposit concentrations fluctuate based on how active the Farm Bureau agents are in that particular area.

As of December 31, 2024, FBB had total assets of \$1.2 billion. Tier one capital totaled \$110.1 million, and the tier one leverage ratio was 9.1 percent. Net loans were reported at \$799.2 million and represented 67.3 percent of total assets and 76.9 percent of total deposits. FBB's loan portfolio consisted of consumer loans (63.0 percent), Farmland and farm related loans (5.9 percent), commercial and industrial loans (11.9 percent), commercial real estate and construction and development loans secured by real estate (10.9 percent) and residential real estate loans (8.2 percent). FBB's primary lending focus is consumer loans, specifically auto loans and credit cards. A majority of the banks auto loans are refinances, followed by purchases direct from the dealer and person to person purchases.

To expand its presence and improve lending penetration within its AAs, the bank implemented targeted rate reduction programs. In 2023, the bank introduced a two percent rate reduction on new and used vehicle loans for loans originated within its AAs. This initiative aimed to enhance affordability and increase lending activity in these communities.

Building on this effort, in 2024, the bank expanded the two percent rate reduction to all new and used consumer installment loans, applicable across all product types and pricing segments in the bank's AAs. These programs reflect the bank's ongoing efforts to increase accessibility to credit despite its unique business model.

The bank has two AAs, Washoe County AA and Bexar County AA, in two rating areas, Nevada and Texas. The rating and AAs are described in more detail later within the Public Evaluation (PE). Based on the financial condition, size, and product offerings, there are no legal, financial, or other factors that inhibit FBB's ability to help meet the credit needs in its AAs. The prior performance evaluation, dated February 28, 2022, assigned an overall Satisfactory rating to FBB's CRA performance based on a lending test rating of Satisfactory and a community development test rating of Satisfactory.

Scope of the Evaluation

Evaluation Period/Products Evaluated

FBB was evaluated using the Intermediate Small Bank CRA examination procedures, which includes a lending test and a CD test. The lending test evaluates the bank's record of meeting the credit needs of its AAs through lending activities. The CD test evaluates the bank's record of responding to the CD needs and opportunities of its AAs through CD lending, investments and donations, and services hours provided within the communities served.

The evaluation period for this examination is January 1, 2022, through December 31, 2024. To evaluate lending performance, analysis was completed on a random sample of the bank's primary product, consumer loans. For the geographic and borrower distribution analyses, we compared lending performance to updated 2020 American Community Survey census data effective January 2022.

Selection of Areas for Full-Scope Review

In each state where the bank has an office, one or more of AAs within that state was selected for a full-scope review. For purposes of this evaluation, bank delineated assessment areas located within the same metropolitan statistical area (MSA), multistate metropolitan statistical area (MMSA), or combined

statistical area (CSA) are combined and evaluated as a single AA. Similarly, bank delineated non-MSA AAs within the same state are combined and evaluated as a single area. These combined AAs may be evaluated as full- or limited-scope. Refer to the “Scope” section under each State Rating for details regarding how full-scope AAs were selected. Refer to appendix A, Scope of Examination, for a list of full- and limited-scope AAs.

Ratings

The bank’s overall rating is a blend of the state ratings. FBB did not have any multi-state AAs or a multistate rating during this evaluation period. The state rating is based on the bank’s performance in the identified AAs within each state.

State ratings are based on performance in all bank AAs. Refer to the “Scope” section under each state and MMSA Rating section for details regarding how the areas were weighted in arriving at the respective ratings.

Discriminatory or Other Illegal Credit Practices Review

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

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

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

State Rating

State of Nevada

CRA rating for the State of Nevada¹: Satisfactory.

The Lending Test is rated: Satisfactory.

The Community Development Test is rated: Satisfactory.

The major factors that support this rating include:

- The bank exhibits a reasonable geographic distribution of loans.
- The bank exhibits a reasonable distribution of loans by income level of the borrower.
- The level of CD activities reflects adequate responsiveness to CD needs within its AA.

Description of Institution's Operations in Nevada

The bank operates one location, its main office, in its one AA in Nevada. Office hours are 9am- 4pm, Monday through Friday. Customers also have access to services through the FBB Contact Center via phone and fax on weekdays from 7am-7pm, and on Saturday from 8am-12pm. Customers are also able to access FBB through mobile and internet banking 24 hours a day. The main office is located in south Reno, in an upper-income census tract (CT). Surrounding CTs are all middle- and upper-income. Low-income CTs within the AA are located in central Reno and north of Reno.

Washoe County AA

FBB has designated Washoe County as its Assessment Area (AA) in the state of Nevada. Washoe County is part of the Reno-Sparks MSA and is located in the northwest region of Nevada. There are 139 CTs in Washoe County, including 11 low-income CTs, 29 moderate-income CTs, 43 middle-income CTs, 44 upper-income CTs, and 12 CTs with no census designation. FBB has one office in the AA. The bank's AA meets regulatory requirements and does not arbitrarily exclude low- or moderate-income geographies.

The FDIC Deposit Market Share Report as of June 30, 2024, shows FBB has \$33.5 million and a market share of 0.25 percent in Washoe county, ranking them 14th out of 17 institutions. This figure is slightly overstated as the FDIC report forces deposits to be attributed to one of the bank's two branches. Given the bank's unique business model, deposits are obtained throughout the entirety of the US and bank internal reporting more accurately captures deposits obtained within the AA. Bank internal reporting shows that FBB's deposits in the Washoe County AA total \$7 million and represent 0.66 percent of the bank's total deposits.

¹ This rating reflects performance within the state. The statewide evaluations do not reflect performance in the parts of those states contained within the MMSA.

FBB faces strong competition within the AA. Competitors operate 77 offices in the AA and include large interstate banks, regional banks, savings banks, and community banks. Based on FDIC reporting, the top five institutions account for 76 percent of total deposits in the AA. The top five institutions include Wells Fargo Bank, National Association; Bank of America, National Association; U.S. Bank National Association; Western Alliance Bank, and Zions Bancorporation National Association. In addition to traditional depository institutions, FBB faces competition in consumer lending to LMI borrowers from online financiers, payday lenders, and dealer direct financing who cater to those that might not qualify for traditional financing. Consumer loans originated within the AA during the evaluation period represent 0.50 percent of all loans originated during the period.

According to the U.S. Bureau of Labor Statistics, unemployment in this AA is 4.5 percent, which is lower than the Nevada and higher than the nationwide unemployment rates as of December 2024. The nationwide and Nevada unemployment rates were 4.1 percent and 5.7 percent, respectively.

According to Moody's Analytics, Reno's economy is losing momentum. Growth in employment and the labor force has tapered off in the last several months. Healthcare, manufacturing, construction, and government are leading job gains, while most other major industries—including leisure and hospitality—are slowing or moving sideways. High-wage industries are underperforming by a wide margin this year, which is apparent in a lack of growth in average hourly earnings. New travel in the area has boosted investment and Reno is emerging as a leader in high-tech manufacturing. However, house prices have fallen more than anticipated, impacting property values. State budget cuts have caused layoffs in the public sector. The largest industries in Reno are leisure and hospitality services, professional and business services, government, and manufacturing. The largest employers in the area are The University of Nevada-Reno, Silver Legacy Resort Casino, and the Sierra Nevada Healthcare System. Reno's economic slowdown will track that of Nevada in the coming year. Drivers such as leisure/hospitality, manufacturing and logistics will be on solid ground, and there are new opportunities for tech.

To help identify the needs and opportunities in the AA, we contacted a local economic development organization who stated that affordable housing is one of the primary needs within the community. We also reviewed data from the Department of Housing and Urban Development which also indicated higher levels of homelessness and affordable housing as a primary need in the community.

Table A – Demographic Information of the Assessment Area						
Assessment Area: 2022-2024 Washoe County AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	139	7.9	20.9	30.9	31.7	8.6
Population by Geography	486,492	7.3	21.4	35.1	33.5	2.7
Housing Units by Geography	201,401	8.5	21.3	34.0	33.2	3.0
Owner-Occupied Units by Geography	107,732	2.4	13.8	38.8	43.9	1.2
Occupied Rental Units by Geography	78,384	16.6	32.6	28.9	16.8	5.0
Vacant Units by Geography	15,285	9.8	16.7	26.5	41.6	5.3
Businesses by Geography	53,566	5.1	23.1	26.7	36.5	8.7
Farms by Geography	1,051	3.8	16.7	37.3	37.4	4.8
Family Distribution by Income Level	115,905	19.2	17.5	21.4	41.8	0.0
Household Distribution by Income Level	186,116	22.9	16.7	18.5	41.9	0.0
Median Family Income MSA - 39900 Reno, NV MSA		\$81,118	Median Housing Value			\$357,875
			Median Gross Rent			\$1,180
			Families Below Poverty Level			6.5%
<i>Source: 2020 U.S. Census and 2024 D&B Data</i> <i>Due to rounding, totals may not equal 100.0%</i> <i>(*) The NA category consists of geographies that have not been assigned an income classification.</i>						

Scope of Evaluation in Nevada

The Washoe County AA is the bank’s only AA within the state, and it received a full-scope review.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN NEVADA

LENDING TEST

The bank’s performance under the Lending Test in Nevada is rated Satisfactory.

Conclusions for Area Receiving a Full-Scope Review

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

Distribution of Loans by Income Level of the Geography

The bank exhibits reasonable geographic distribution of loans in the state.

Consumer Loans

Refer to Table U in the state of Nevada section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's consumer loan originations and purchases.

The overall geographic distribution of consumer loans is adequate. Loans originated in low- income geographies is somewhat lower than the percentage of households located in those areas. Loans originated in moderate- income geographies exceeds the percentage of households located in those areas. FBB faces significant competition within the AA from both traditional and nontraditional lenders. Additionally, the Reno branch is not in close proximity to LMI CTs and is located in an upper-income CT with all surrounding CTs being middle-and-upper income.

Lending Gap Analysis

The OCC evaluated the lending distribution in the institution's AA to determine if any unexplained conspicuous gaps existed. There were no unexplained conspicuous gaps identified after reviewing performance context.

Distribution of Loans by Income Level of the Borrower

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

Consumer Loans

Refer to Table V in the state of Nevada section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's consumer loan originations and purchases.

The overall distribution of consumer loans by borrower income level is adequate. The bank's percentage of loans to low-income borrowers is somewhat lower than the percentage of low-income households. The bank's percentage of loans to moderate-income borrowers exceeds the percentage of moderate-income households.

Responses to Complaints

FBB did not receive any complaints related to its CRA or fair lending performance in the Washoe County AA during the evaluation period.

Community Development Test

The bank's performance under the Community Development Test in the state of Nevada is rated Satisfactory.

Conclusions for Area Receiving a Full-Scope Review

Based on a full-scope the review, the bank exhibits adequate responsiveness to community development needs through CD loans, qualified investments, and CD services, as appropriate, considering the bank's capacity and the need and availability of such opportunities for community development in the bank's AA.

Number and Amount of Community Development Loans

The Community Development Loans Table, shown below, sets forth the information and data used to evaluate the bank's level of CD lending. The table includes all CD loans, including multifamily loans that also qualify as CD loans.

<i>Community Development Loans</i>				
Assessment Area	Total			
	#	% of Total #	\$(000's)	% of Total \$
Washoe County	2	100	450	100
Total	2	100	450	100

The level of CD loans originated during the evaluation period reflects adequate responsiveness to CD needs of the AA and increased since the prior evaluation. FBB originated 2 CD loans, totaling \$450,000, to New West Community Capital, Inc. New West is certified Community Development Financial Institution (CDFI) based out of Idaho that focuses on providing low-cost financing for affordable housing projects in Nevada. The loan funds were pooled and used to support the financing of affordable housing projects in Sparks and Reno, Nevada.

Number and Amount of Qualified Investments

Qualified Investments										
Assessment Area	Prior Period*		Current Period		Total				Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	% of Total #	\$(000's)	% of Total \$	#	\$(000's)
Washoe County	0	0	10	4,204	10	100.0	4,204	100.0	0	0
Total	0	0	10	4,204	10	100.0	4,204	100.0	0	0

* Prior Period Investments' means investments made in a previous evaluation period that are outstanding as of the examination date.

** Unfunded Commitments' means legally binding investment commitments that are tracked and recorded by the institution's financial reporting system.

The level of investments and donations made reflects adequate responsiveness to AA needs and represents a significant increase from efforts reported in the prior evaluation. During the evaluation period, FBB's investments include 4 mortgage-backed securities issued by Federal Home Loan Mortgage Corporation and Federal National Mortgage Association totaling nearly \$4.2 million. The

* 'Prior Period Investments' means investments made in a previous evaluation period that are outstanding as of the examination date.

investments financed both LMI individual mortgages and multifamily properties with income restrictions for LMI individuals. FBB also provided donations to several organizations, totaling \$39,000. An example of these donations includes:

- The Children’s Cabinet (TCC) – FBB made 2 donations totaling \$10,000 to this organization. TCC is a Reno based non-profit organization whose mission is centered around child safety. TCC offers childcare financial assistance, a food market, counseling services, and early learning grants.

Extent to Which the Bank Provides Community Development Services

FBB demonstrated adequate responsiveness to AA needs through CD services. During the evaluation period, bank officers and staff provided 104 hours of service to 4 organizations that provide CD services in the AA. Activities included providing leadership and technical expertise through board and committee membership and providing financial education to LMI individuals. Examples of CD services conducted during the evaluation period in the AA include:

- United Way - Bank employees provided 24 hours of service serving on the Board of Directors. United Way allows local non-profits, businesses, local officials, and community members to collaborate and partner together to address the community’s pressing needs.
- Family, Career, and Community Leaders of America (FCCLA) - Bank employees provided 12 hours of service presenting financial literacy and wellness presentations. FCCLA is a non-profit national organization dedicated to helping students in Family and Consumer Sciences education.

State Rating

State of Texas

CRA rating for the State of Texas²: Satisfactory.

The Lending Test is rated: Satisfactory.

The Community Development Test is rated: Outstanding.

The major factors that support this rating include:

- The bank exhibits a reasonable geographic distribution of loans.
- The bank exhibits a reasonable distribution of loans by income level of the borrower.
- The level of CD activities reflects outstanding responsiveness to CD needs within its AA.

Description of Institution's Operations in Texas

The bank operates one location within the AA in Texas. Office hours are 7am-7pm, Monday through Friday. Customers also have access to services through the FBB Contact Center via phone and fax on weekdays from 7am-7pm, and on Saturday from 8am-12pm. Customers are also able to access FBB accounts through mobile and internet banking 24 hours a day. The office is in a middle-income CT in San Antonio with all surrounding CTs being middle- and upper-income.

Bexar County AA

FBB designates Bexar County as its AA in the state of Texas. Bexar County is part of the San Antonio-New Braunfels MSA and is located in south-central Texas. There are 375 CTs in Bexar County, and includes 35 low-income CTs, 137 moderate-income CTs, 102 middle-income CTs, 97 upper-income CTs, and four CTs with no income designations. FBB has one office in the AA. The bank's AA meets regulatory requirements and does not arbitrarily exclude LMI geographies.

The FDIC Deposit Market Share Report as of June 30, 2024, shows FBB has \$1.02 billion in deposits and a market share of 0.61 percent in Bexar county, ranking them 11th out of 51 institutions. Bank generated reports indicate that FBB deposits in the Bexar County AA total \$5.3 million and represent 0.51 percent of the bank's total deposits. FBB faces strong competition within the AA. Competitors operate 282 offices in the AA and include large interstate banks, regional banks, savings banks, and community banks. The top three institutions account for 83 percent of total deposits in the AA. The top three institutions include USAA Federal Savings Bank; Citibank, National Association; and Frost Bank. In addition to traditional depository institutions, FBB faces competition in consumer lending to LMI borrowers from online financiers, payday lenders, and dealer direct financing who cater to those that might not qualify for traditional financing. Loans originated within the AA during the evaluation period represent 0.28 percent of all consumer loans originated during the period.

² This rating reflects performance within the state. The statewide evaluations do not reflect performance in the parts of those states contained within the MMSA.

According to the U.S Bureau of Labor Statistics, unemployment in this AA is 3.4 percent, which is lower than the nationwide and Texas unemployment rates as of December 2024. The nationwide and Texas unemployment rates were 4.1 percent and 4.2 percent, respectively.

According to Moody Analytics, Job growth in San Antonio-New Braunfels has been slightly less than the national rate in recent months, below its customary above-average pace. However, manufacturing and construction have outperformed their respective national totals. Further, the labor force has risen faster than that of the nation. With respect to the housing market, prices have been rising more slowly than the national average, and new construction of single-family units has steadily rebounded since the decline in 2022. The MSA is expected to grow at the national pace in 2025, with the large military presence a source of stability. Longer term, the metro area’s above-average population gains and low costs of doing business should contribute to above-average overall performance.

Government entities, education and health services, and professional business services are the largest industries in the AA. Top employers include Joint Base San Antonio (which comprises Lackland Air Force Base, Randolph Air Force Base, and Fort Sam Houston), grocery chain H-E-B, USAA, and the Methodist Health System.

To help identify needs and opportunities in the AA, we interviewed a contact from a small business development organization primarily focused on providing credit and services to underserved small businesses and entrepreneurs. The contacts stated primary needs within the community include affordable housing and access to capital for small businesses.

Table A – Demographic Information of the Assessment Area						
Assessment Area: 2022-2024 Bexar County AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	375	9.3	36.5	27.2	25.9	1.1
Population by Geography	2,009,324	7.0	32.3	29.4	31.3	0.0
Housing Units by Geography	699,646	7.5	35.6	28.3	28.6	0.0
Owner-Occupied Units by Geography	377,055	4.9	29.8	30.6	34.7	0.0
Occupied Rental Units by Geography	267,506	10.6	42.7	26.2	20.6	0.0
Vacant Units by Geography	55,085	10.4	41.1	22.5	26.0	0.0
Businesses by Geography	229,173	5.8	24.7	24.6	44.7	0.2
Farms by Geography	4,264	4.2	20.8	24.3	50.7	0.1
Family Distribution by Income Level	421,271	23.9	17.9	19.6	38.6	0.0
Household Distribution by Income Level	644,561	25.8	16.5	18.7	39.0	0.0
Median Family Income MSA - 41700 San Antonio-New Braunfels, TX MSA		\$74,284	Median Housing Value			\$191,026
			Median Gross Rent			\$1,059
			Families Below Poverty Level			11.9%

*Source: 2020 U.S. Census and 2024 D&B Data
Due to rounding, totals may not equal 100.0%
(* The NA category consists of geographies that have not been assigned an income classification.*

Scope of Evaluation in Texas

The Bexar County AA is the bank's only AA in the state, and it received a full-scope review.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN TEXAS

LENDING TEST

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

Conclusions for Area Receiving a Full-Scope Review

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

Distribution of Loans by Income Level of the Geography

The bank exhibits reasonable geographic distribution of loans in the state.

Consumer Loans

Refer to Table U in the state of Texas section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's consumer loan originations and purchases.

The overall geographic distribution of consumer loans is adequate. Loans originated in low-income geographies is somewhat lower than the percentage of households located in those areas. Loans originated in moderate-income geographies is lower than the percentage of households located in those areas. FBB faces significant competition within the AA from both traditional and nontraditional lenders. Additionally, The Bexar county branch is in a middle-income CT with all surrounding CTs being middle- and upper-income. As noted in the description of the bank's operations and performance context, management made efforts to address these self-identified issues through targeted consumer rate reduction programs. Given this context and the adequate penetration to low-income CTs, overall geographic penetration is considered reasonable.

Lending Gap Analysis

The OCC evaluated the lending distribution in the institution's AA to determine if any unexplained conspicuous gaps existed. There were no unexplained conspicuous gaps identified after reviewing performance context.

Distribution of Loans by Income Level of the Borrower

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

Consumer Loans

Refer to Table V in the state of Texas section of appendix D for the facts and data used to evaluate the borrower distribution of the bank’s consumer loan originations and purchases.

The overall distribution of consumer loans by borrower income level is adequate. The bank’s percentage of loans to low-income borrowers is lower than the percentage of low-income households. The bank’s percentage of loans to moderate-income borrowers exceeds the percentage of moderate-income households.

Responses to Complaints

FBB did not receive any complaints related to its CRA or fair lending performance in the Bexar County AA during the evaluation period.

Community Development Test

The bank’s performance under the Community Development Test in the state of Texas is rated Outstanding.

Conclusions for Area Receiving a Full-Scope Review

Based on a full-scope review, the bank exhibits excellent responsiveness to community development needs in the state through CD loans, qualified investments, and CD services, as appropriate, considering the bank’s capacity and the need and availability of such opportunities for CD in the bank’s AA.

Number and Amount of Community Development Loans

The Community Development Loans Table, shown below, sets forth the information and data used to evaluate the bank’s level of CD lending. The table includes all CD loans, including multifamily loans that also qualify as CD loans.

<i>Community Development Loans</i>				
Assessment Area	Total			
	#	% of Total #	\$(000's)	% of Total \$
Bexar County	4	100.0	5,500	100.0
Total	4	100.0	5,500	100.0

The level of CD loans originated during the evaluation period reflects excellent responsiveness to CD needs of the AA, relative to the bank’s CD lending opportunities. FBB originated four CD loans totaling \$5.5 million in the Bexar County AA. Three loans were extended to qualified CDFIs,

facilitating economic development and community services in the AA. One loan was a participation to finance affordable multifamily housing. The CD loans include the following:

- Three loans totaling \$500,000 extended to On the Road Lending (OTR) Fund I, LLC. This CDFI's special purpose fund promotes community service by helping solve transportation equity. The entity provides LMI individuals with affordable vehicle loans, vehicle selection assistance, and financial mentoring so they can remain employed and avoid predatory lending. FBB's loans provided funds for eligible OTR Fund borrowers in Bexar County.
- One loan participation totaling \$5,000,000 to finance a 248-unit multi-family complex that operates as low-to moderate income housing.

Number and Amount of Qualified Investments

Qualified Investments										
Assessment Area	Prior Period*		Current Period		Total				Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	% of Total #	\$(000's)	% of Total \$	#	\$(000's)
Bexar County	0	0	20	3,580	20	100.0	3,580	100.0	0	0
Total	0	0	20	3,580	20	100.0	3,580	100.0	0	0

* Prior Period Investments' means investments made in a previous evaluation period that are outstanding as of the examination date.

** Unfunded Commitments' means legally binding investment commitments that are tracked and recorded by the institution's financial reporting system.

The bank's qualified investments and donations reflect excellent responsiveness to the needs identified in the AA and represented a significant increase from efforts reported in the prior evaluation. During the current evaluation period, FBB made four investments totaling \$3.4 million and 16 donations among six organizations totaling \$224,000. Investments and donations provided funding for LMI community services, economic development through increased access to capital for small businesses, and affordable housing for LMI borrowers. Examples of donations and investments include:

- LiftFund – FBB invested \$250,000 to support the organization's community initiatives. LiftFund is a CDFI which provides credit, micro loans, and other services to small businesses and entrepreneurs who do not have access to traditional bank lending sources.
- Good Samaritan Community Service of San Antonio – FBB provided \$83,700 in donations to this organization. This nonprofit organization provides social service programs, including financial literacy, to help individuals overcome the challenge of poverty.
- YMCA of Greater San Antonio – FBB made \$30,000 in donations to organization. This nonprofit organization supports communities with a focus on youth development, healthy living, and social responsibility. FBB's donations were in service of the YMCA's Haven for Hope and Southside Early Learning Center locations in San Antonio. These centers provide childcare and education and support services to low-income families and families who are experiencing or at imminent risk of homelessness.
- SAMMinistries – FBB made \$30,000 in donations to the organization. This nonprofit is dedicated to preventing homelessness in San Antonio by providing rent and utility support and

* 'Prior Period Investments' means investments made in a previous evaluation period that are outstanding as of the examination date.

permanent housing for those in need. They keep roughly 350 families out of homelessness every night.

- FBB purchased three mortgage back security purchases totaling \$3.1 million issued by the Federal Home Loan Mortgage Corporation. The pools of securities funded mortgages for LMI borrowers as well as affordable multifamily housing projects.

Extent to Which the Bank Provides Community Development Services

FBB demonstrated excellent responsiveness to AA needs through CD services. During the evaluation period, bank officers and staff provided 1,148 hours of service to 9 organizations that provide CD services in the AA. This service was consistent with the needs identified in the AA. Activities included providing leadership and technical expertise through board and committee membership and direct financial education and credit review services to organizations promoting community service and economic development. Examples of CD services conducted during the evaluation period in the AA include:

- Volunteer Income Tax Assistance Program of San Antonio – Five bank employees provided 662 hours to prepare income tax returns for LMI individuals.
- Junior Achievement of South Texas – 13 bank employees provided 122 hours of service to deliver financial education directly to LMI students. The organization is a nonprofit that facilitates financial literacy and promotes career preparation and development.
- LiftFund – One bank employee provided 31 hours of service by serving on the entities loan committee. The employee provided financial review and credit evaluation services, in support of lending to small business without access to traditional commercial sources of capital to promote economic development.

Appendix A: Scope of Examination

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

Time Period Reviewed:	01/01/22 to 12/31/24	
Bank Products Reviewed:	Consumer loans Community development loans, qualified investments, community development services	
Affiliate(s)	Affiliate Relationship	Products Reviewed
None	Not Applicable	Not Applicable
List of Assessment Areas and Type of Examination		
Rating and Assessment Areas	Type of Exam	Other Information
State of Nevada		
Washoe County	Full-Scope	Includes all 139 census tracts inside Washoe County, NV
State of Texas		
Bexar County	Full-Scope	Includes all 375 census tracts inside Bexar County, TX

Appendix B: Summary of MMSA and State Ratings

RATINGS FARM BUREAU BANK, FSB			
Overall Bank:	Lending Test Rating*	CD Test Rating	Overall Bank/State/Multistate Rating
Farm Bureau Bank, FSB	Satisfactory	Satisfactory	Satisfactory
MMSA or State:			
Nevada	Satisfactory	Satisfactory	Satisfactory
Texas	Satisfactory	Outstanding	Satisfactory

(*) The Lending Test and Community Development Test carry equal weight in the overall rating.

Appendix C: Definitions and Common Abbreviations

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Metropolitan Statistical Area: An area, defined by the Office of Management and Budget, as a core based statistical area associated with at least one urbanized area that has a population of at least 50,000. The Metropolitan Statistical Area comprises the central county or counties containing the core, plus adjacent outlying counties having a high degree of social and economic integration with the central county or counties as measured through commuting.

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

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

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

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

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

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

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

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

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

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

Appendix D: Tables of Performance Data

Content of Standardized Tables

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

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

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

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

- Table S. Assessment Area Distribution of Loans to Farms by Income Category of the Geography** - The percentage distribution of the number of small loans (less than or equal to \$500,000) to farms originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of farms (regardless of revenue size) throughout those geographies. The table also presents aggregate peer data for the years the data is available. Because aggregate small farm data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank's assessment area.
- Table T. Assessment Area Distribution of Loans to Farms by Gross Annual Revenues** - Compares the percentage distribution of the number of small loans (loans less than or equal to \$500 thousand) originated and purchased by the bank to farms with revenues of \$1 million or less to: 1) the percentage distribution of farms with revenues of greater than \$1 million; and, 2) the percentage distribution of farms for which revenues are not available. The table also presents aggregate peer small farm data for the years the data is available.
- Table U. Assessment Area Distribution of Consumer Loans by Income Category of the Geography** - Compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of households in those geographies.
- Table V. Assessment Area Distribution of Consumer Loans by Income Category of the Borrower** - Compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage distribution of households by income level in each MMSA/assessment area.

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

State of Nevada

Table U: Assessment Area Distribution of Consumer Loans by Income Category of the Geography													2022-24	
Assessment Area:	Total Consumer Loans			Low-Income Tracts		Moderate-Income Tracts		Middle-Income Tracts		Upper-Income Tracts		Not Available-Income Tracts		
	#	\$	% of Total	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	
Washoe County	40	1,166	100.0	8.3	5.0	21.7	22.5	34.6	30.0	32.5	35.0	2.8	7.5	
Total	40	1,166	100.0	8.3	5.0	21.7	22.5	34.6	30.0	32.5	35.0	2.8	7.5	

Source: 2020 U.S Census; 01/01/2022 - 12/31/2024 Bank Data. Due to rounding, totals may not equal 100.0

Table V: Assessment Area Distribution of Consumer Loans by Income Category of the Borrower													2022-24	
Assessment Area:	Total Consumer Loans			Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Not Available-Income Borrowers		
	#	\$	% of Total	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	
Washoe County	40	1,166	100.0	22.9	15.0	16.7	25.0	18.5	15.0	41.9	40.0	0.0	5.0	
Total	40	1,166	100.0	22.9	15.0	16.7	25.0	18.5	15.0	41.9	40.0	0.0	5.0	

Source: 2020 U.S Census; 01/01/2022 - 12/31/2024 Bank Data. Due to rounding, totals may not equal 100.0

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

State of Texas

Table U: Assessment Area Distribution of Consumer Loans by Income Category of the Geography														2022-24
Assessment Area:	Total Consumer Loans			Low-Income Tracts		Moderate-Income Tracts		Middle-Income Tracts		Upper-Income Tracts		Not Available-Income Tracts		
	#	\$	% of Total	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	
Bexar County	40	920	100.0	7.3	5.0	35.1	12.5	28.8	35.0	28.8	47.5	0.0	0.0	
Total	40	920	100.0	7.3	5.0	35.1	12.5	28.8	35.0	28.8	47.5	0.0	0.0	

Source: 2020 U.S Census; 01/01/2022 - 12/31/2024 Bank Data. Due to rounding, totals may not equal 100.0

Table V: Assessment Area Distribution of Consumer Loans by Income Category of the Borrower														2022-24
Assessment Area:	Total Consumer Loans			Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Not Available-Income Borrowers		
	#	\$	% of Total	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	
Bexar County	40	920	100.0	25.8	12.5	16.5	20.0	18.7	32.5	39.0	22.5	0.0	12.5	
Total	40	920	100.0	25.8	12.5	16.5	20.0	18.7	32.5	39.0	22.5	0.0	12.5	

Source: 2020 U.S Census; 01/01/2022 - 12/31/2024 Bank Data. Due to rounding, totals may not equal 100.0

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