



PUBLIC DISCLOSURE

August 27, 2018

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

The Security National Bank of Enid
Charter Number 14315

201 West Broadway
Enid, OK 73702

Office of the Comptroller of the Currency
Tulsa Field Office
8282 South Memorial Drive, Suite 300
Tulsa, OK 74133

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

Table of Contents

OVERALL CRA RATING	3
DEFINITIONS AND COMMON ABBREVIATIONS	4
DESCRIPTION OF INSTITUTION	8
SCOPE OF THE EVALUATION.....	8
DISCRIMINATORY OR OTHER ILLEGAL CREDIT PRACTICES REVIEW	11
CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS.....	12
LENDING TEST	12
COMMUNITY DEVELOPMENT TEST.....	14
APPENDIX A: SCOPE OF EXAMINATION.....	A-1
APPENDIX B: COMMUNITY PROFILES FOR FULL-SCOPE AREAS.....	B-1
APPENDIX C: TABLES OF PERFORMANCE DATA	C-1

Overall CRA Rating

This institution is rated Satisfactory.

The Lending Test is rated: Satisfactory.

The Community Development Test is rated: Satisfactory.

The following factors support the overall rating:

- A majority of the loans were originated inside the bank's assessment area (AA).
- The penetration of loans to individuals and businesses of different income levels is reasonable and meets the standard for satisfactory performance.
- The geographic distribution of loans reflects reasonable dispersion throughout the AA and meets the standard for satisfactory performance.
- Community Development (CD) lending is satisfactory and indicates adequate responsiveness to the needs of the bank's AA.
- The bank's amount of qualified CD services indicates excellent responsiveness within its AA.

Definitions and Common Abbreviations

The following terms and abbreviations are used throughout 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. A bank subsidiary is controlled by the bank and is, therefore, an affiliate.

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 MA/AA.

Census Tract (CT): A small subdivision of metropolitan and other densely populated counties. Census tract boundaries do not cross county lines; however, they may cross the boundaries of metropolitan areas. Census tracts generally have a population between 1,200 and 8,000 people, with an optimal size of 4,000 people. Their physical size varies widely depending upon population density. Census tracts are designed to be homogeneous with respect to population characteristics, economic status, and living conditions to allow for statistical comparisons.

Community Development: 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; activities that revitalize or stabilize low- or moderate-income geographies, distressed or underserved nonmetropolitan middle-income geographies, or designated disaster areas; or loans, investments, and services that support, enable or facilitate projects or activities under HUD Neighborhood Stabilization Program criteria that benefit low-, moderate-, and middle-income individuals and geographies in the bank's AA(s) or outside the AA(s) provided the bank has adequately addressed the CD needs of its AA(s).

Community Reinvestment Act (CRA): the statute that requires the OCC to evaluate a bank's record of meeting the credit needs of its local community, 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, home equity 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 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, loan pricing, the lien status of the collateral, any requests for preapproval, and loans for manufactured housing.

Home Mortgage Loans: Such loans include home purchase, home improvement and refinancings, as defined in the HMDA regulation. These include loans for multifamily (five or more families) dwellings, manufactured housing and one-to-four family dwellings other than manufactured housing.

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 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 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 MA/AA.

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. 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 it and half below it.

Metropolitan Area (MA): Any metropolitan statistical area or metropolitan division, as defined by the Office of Management and Budget, and any other area designated as such by the appropriate federal financial supervisory agency.

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.

Other Products: Includes any unreported optional category of loans for which the institution collects and maintains data for consideration during a CRA examination. Examples of such activity include consumer loans and other loan data an institution may provide concerning its lending performance.

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 CD.

Rated Area: A rated area is a state or multi-state 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 multi-state metropolitan area, the institution will receive a rating for the multi-state metropolitan 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 One 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.

Description of Institution

The Security National Bank of Enid (SNB) is a \$329 million rural community bank headquartered in Enid, Garfield County, Oklahoma and a subsidiary of Security Financial Services Corporation, also located in Enid, Oklahoma. As of December 31, 2017, SNB had loans of \$180 million, or 54.1 percent of total assets. SNB is a single-state institution with the main bank facility located in downtown Enid, Oklahoma.

The bank operates three branches within its AA, which consists of the Enid, OK MSA in the State of Oklahoma. All three branches are located in Enid. The Main Bank Offers lobby hours Monday through Friday. Both the West Branch and the Service Center Branch offer lobby hours Monday through Friday, as well as motor banking hours on Saturday. The Service Center Branch also offers lobby hours on Saturday. No branches have been opened or closed since the previous CRA evaluation.

SNB operates three ATM locations. The bank operates 24 hour drive-up ATMs at both the Service Center and the West Branch locations. There is also a 24 hour walk-up ATM at Enid High School.

The following tables provide detailed information on SNB's branch and ATM locations.

SNB's Branch Locations		
Location	Address	City
Main Branch	201 West Broadway	Enid, OK
West Branch	210 North Oakwood	Enid, OK
Service Center Branch	201 West Maine	Enid, OK

SNB's ATM Locations		
Location	Address	City
Service Center Branch	201 West Maine	Enid, OK
West Branch	210 North Oakwood	Enid, OK
Enid High School	611 West Wabash Ave	Enid, OK

The bank's lending strategy focuses on commercial/business lending and one-to-four family real estate lending. SNB offers a variety of loan and deposit products to meet the needs of the community and achieve their overall business strategy. In addition to providing traditional loan and deposit products and services, SNB also offers Telephone Banking, Online Banking, and Mobile Banking.

There are no legal, financial, or other factors impeding the bank's ability to help meet the credit needs in its AA. A CRA Performance Evaluation was last prepared as of August 11, 2015, and the bank received an overall rating of "**Satisfactory**."

Scope of the Evaluation

Evaluation Period/Products Evaluated

We completed a full-scope review of SNB's CRA activities in its AA under the Intermediate Small Bank (ISB) CRA procedures, which includes the Lending Test and the CD Test. The Lending Test evaluates the bank's record of meeting the credit needs of the bank's AA through its lending activities. The CD Test evaluates the bank's responsiveness to the CD needs in its AA through qualified CD lending, investments and donations, and services.

Conclusions regarding the Lending Test are based on a sample of business loans originated from the date of the last performance evaluation, August 11, 2015, through December 31, 2017 and a sample of home mortgage loans from August 11, 2015 through December 31, 2016. The 2015 and 2016 home mortgage samples were combined with the 2017 HMDA LAR data to complete the home mortgage sample. Conclusions regarding the CD Test are based on the bank's CD activities from August 11, 2015 through December 31, 2017.

SNB's primary lending products are loans to businesses and home mortgage loans. The following table provides information on the composition of the loan portfolio as of December 31, 2017:

Composition of Loan Portfolio		
Loan Category	\$ (000)	%
Business Loans	\$79,419	44.03%
1-4 Family Residential RE Loans	\$76,710	42.52%
Agricultural Loans	\$13,365	7.41%
Consumer Loans	\$4,547	2.52%
Other Loans	\$6,353	3.52%
Total	\$180,394	100.00%

Data Integrity

Prior to this CRA performance evaluation, we verified the accuracy of the data available to the public in accordance with the HMDA regulation. A CRA Data Integrity examination was conducted in May and June 2018 to evaluate the bank's process to accurately collect and report HMDA loan data. We found that the bank had an appropriate process, and effective internal controls, to accurately collect and report HMDA information. As a result, we relied on filed HMDA data during this CRA review to assess a portion of the residential real estate lending performance. We also reviewed the integrity of the bank's CD activities to ensure these activities qualify for credit under the CRA regulation.

Selection of Areas for Full-Scope Review

The Enid, OK MSA AA will receive a full-scope review. There are no limited-scope review areas.

Ratings

As SNB has only one AA, consisting of all of the Enid, OK MSA, the bank's overall rating is based solely on the full-scope review of this AA.

Discriminatory or Other Illegal Credit Practices Review

Pursuant to 12 C.F.R. §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 Consumer Financial Protection Bureau, as applicable.

The OCC has not identified that this institution 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.

Conclusions with Respect to Performance Tests

The bank's performance under the Lending Test is rated **Satisfactory**. Based on our sample of lending during the evaluation period, which includes loans made between August 11, 2015 and December 31, 2017, SNB meets the standard for satisfactory performance for lending within the AA.

CD lending, investments, and services are **Satisfactory** and indicate adequate responsiveness to the needs of the bank's AA.

LENDING TEST

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

Loan-to-Deposit Ratio

SNB's LTD ratio is reasonable. The bank's quarterly LTD ratio since the previous CRA evaluation averaged 61.12 percent. We compared the bank's LTD ratio to four similarly situated banks in their market area. The aggregate average LTD ratio for the competing banks was 72.22 percent, with a low average of 51.59 percent and a high average of 91.75 percent.

Loan-to-Deposit Ratios			
Institution	Location	Total Assets as of 12/31/2017 (000's)	Average LTD Ratio
BancCentral, N.A.	Alva, OK	\$490,973	51.59%
The First State Bank	Pond Creek, OK	\$53,054	55.99%
The Security National Bank	Enid, OK	\$328,913	61.12%
Central National Bank & Trust Co. of Enid	Enid, OK	\$629,684	89.58%
The Bank of Kremlin	Kremlin, OK	\$297,001	91.75%

Source: Institution Reports of Condition from September 30, 2015 to December 31, 2017

Lending in the AA

Based on our sample of lending during the evaluation period, from August 11, 2015 to December 31, 2017, SNB meets the standard for satisfactory performance for lending within the AA. We randomly selected 38 business loans and 33 home mortgage loans. These 33 home mortgage loans were combined with the 77 loans reported on the bank's 2017 HMDA LAR for a total home mortgage sample of 110 loans. Based on the combined loan samples, the majority of loans, both in terms of number and dollar volume, were originated inside SNB Enid's AA.

Table D - 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	94	85.5	16	14.5	110	11,987	76.9	3,604	23.1	15,591
Business	38	61.3	24	38.7	62	7,994	52.4	7,274	47.6	15,268
Total	132	76.7	40	23.3	172	19,981	64.7	10,878	35.3	30,859
<i>Source: Evaluation Period: 8/12/2015 - 12/31/2017 Bank Data Due to rounding, totals may not equal 100.0</i>										

Lending to Borrowers of Different Incomes and to Businesses of Different Sizes

The overall borrower distribution of loans by income level reflects reasonable penetration to borrowers of different incomes and to businesses of different sizes.

Home Mortgage Loans

Based on the data in Tables P in appendix C and the following performance context factors, the borrower distribution of home mortgage loans in the AA reflects reasonable penetration. While the percentage of loans to low-income borrowers was below the percentage of low-income families, the percentage was stronger than the aggregate percentage of lending in the AA and reflects reasonable penetration. The proportion of loans to moderate-income borrowers was weaker than the proportion of moderate-income families and the aggregate percentage of lending in the AA and reflects poor penetration. The bank’s ability to lend to low- and moderate-income borrowers is limited by strong competition within the AA, high closing costs, and the fact that borrowers at these income levels are less likely to meet home mortgage lending standards.

Small Loans to Businesses

Based on the data in Tables R in appendix C, the borrower distribution of business loans in the AA reflects reasonable penetration and meets the standard. By number of loans made, the bank’s percentage of lending to AA small businesses is reasonable and is comparable to the percentage of reporting AA small businesses with gross annual revenues of less than \$1 million. The bank’s percentage of lending to AA small businesses is also stronger than the aggregate distribution of loans to those businesses.

Geographic Distribution of Loans

The overall geographic distribution of home mortgage loans and loans to small businesses reflects reasonable dispersion. In 2017, there were no low-income and three moderate-income CTs in the AA. In 2016, one of these moderate-income CTs was designated as a low-income CT.

Home Mortgage Loans

Based on the data in Tables O in appendix C, the geographic distribution of home mortgage loans reflects reasonable dispersion. The bank's percentage of home mortgage loans in 2016 in low-income geographies was reasonable. The percentage of bank loans was comparable to the percentage of owner-occupied housing units and exceeded the aggregate distribution of loans in this CT. The bank's percentage of loans in moderate-income CTs was also reasonable. The bank's percentage of loans in moderate-income CTs was comparable to the percentage of owner-occupied housing units and exceeded the aggregate distribution of loans in those geographies.

Small Loans to Businesses

Based on the data in Tables Q in appendix C, the geographic distribution of loans to small businesses reflects reasonable dispersion. The bank's percentage of loans to businesses in the 2016 low-income CT was excellent and exceeded both the percentage of AA businesses and aggregate distribution of loans in this CT. The bank's percentage of loans to businesses in moderate-income CTs was reasonable. The bank's percentage of loans was comparable to the demographic and exceeded the aggregate distribution of loans in these CTs.

Responses to Complaints

SNB received no CRA-related complaints during the evaluation period.

COMMUNITY DEVELOPMENT TEST

SNB's performance under the CD Test is **Satisfactory**. The bank's level of CD activities demonstrates adequate responsiveness to the CD needs of their AA.

Opportunities for qualified CD loans and investments are limited in the AA. The bank faces strong competition within its AA. There are 14 banks and numerous credit unions competing for a limited number of qualifying CD loans and investments. Approximately half of the AA is a designated as a State Enterprise Zone, with a portion of South Enid also designated as a Federal Opportunity Zone.

During the CD Test evaluation period, SNB originated 37 CD loans totaling \$21.3 million, made \$38 thousand in donations, and provided qualified officer and employee services to 21 different qualified organizations.

Number and Amount of CD Loans

The level of CD lending demonstrates adequate responsiveness to the needs of its AA.

Qualifying CD loans are those that meet the definition of CD, as defined in the CRA regulation. This includes activities that promote affordable housing, community services, economic development and revitalization and stabilization that benefits low- and moderate-income individuals and geographies. Activities are considered to promote economic development if they support permanent job creation, retention, and/or improvement for low- and moderate-income persons. Qualified CD activities that help revitalize or stabilize a community are activities that attract new businesses or persons to a community or are activities that help retain existing businesses or persons in a community. Qualified activities, may include, for example, providing financing to help retain businesses in an area that employ low- and moderate-income persons; or providing financing to attract a new employer that will create permanent job opportunities for low- and moderate-income persons.

During the review period from August 11, 2015 to December 31, 2017, SNB originated 37 CD loans totaling \$21.3 million within its AA. Key lending in the AA included loans to finance community services and affordable housing, loans to finance revitalization and stabilization projects, and loans to promote economic development.

Significant loans included:

- SNB extended a loan totaling \$2.9 million to local economic development organization that assists new and existing small businesses with resources and opportunities in the AA.
- SNB provided \$4.9 million in credit to the local government to finance the cleanup of the local landfill located in the AA.
- SNB financed \$6.4 million to build a new hotel in downtown Enid as part of the Main Street Enid Plan.

Number and Amount of Qualified Investments

Qualifying investments are bond or equity investments, deposits, membership shares, or grants that have as their primary purpose CD, as defined in the CRA regulation.

The level of qualified CD investments in the AA indicates poor responsiveness to the needs of the community, and the level of qualified donations indicates adequate responsiveness. The bank did not make any qualified investments during the evaluation period. The bank did make \$38,089 in donations to qualified community organizations in their AA during this time. Opportunities for qualified investments are limited within the AA and competition for these limited opportunities is very strong.

Extent to Which the Bank Provides CD Services

The level of qualified CD services provided by bank employees within the AA indicates excellent responsiveness to the needs of the community. Bank officers and employees served almost 2,000 hours in local organizations that provide community services to low- and moderate income (LMI) families, support economic development, or revitalize and stabilize areas within the AA. They provided technical and financial expertise to these organizations.

- **YMCA of Enid:**
A senior officer serves on the Board of this organization that provides assistance to LMI families. Another bank officer assists with the organizations Back-A-Youth program which provides discounted memberships to LMI families.
- **Feed the Neighborhood:**
A bank officer and two bank employees volunteer with this organization which provides assistance to children of LMI families with school supplies, clothing and shoes, haircuts, and groceries.
- **Greater Enid Chamber of Commerce:**
A bank officer serves as a member of the Board, and another bank officer serves an Ambassador for this organization that provides support for small business and economic development in the AA.
- **Community Development Support Association (CDSA):**
Two bank officers serve as members of the Board for this organization. The CDSA's Baby Basic Program provides diapers and wipes to LMI families.
- **Forgotten Ministries – The Mercy House:**
Two bank employees volunteer with this organization that provides assistance to the homeless.
- **James W Strate Center for Business Development:**
A senior bank officer serves on the Selection Committee of this business incubator program for small businesses and startups through the Autry Technology Center.
- **United Way:**
A bank officer serves as an officer and another officer serves as a board member for this organization which provides support for charities that serve LMI individuals.

Responsiveness to CD Needs

SNB's CD activities demonstrate adequate responsiveness to the needs of the community within its AA.

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 metropolitan and nonmetropolitan areas 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	Lending Test (excludes CD loans): (08/11/2015 to 12/31/2017) Investment and Service Tests and CD Loans: (08/11/2015 to 12/31/2017)	
Financial Institution	Products Reviewed	
SNB Enid, OK	Home Mortgage and Business	
Affiliate(s)	Affiliate Relationship	Products Reviewed
None		
List of Assessment Areas and Type of Examination		
Assessment Area	Type of Exam	Other Information
Enid, OK MSA - #21420	Full-Scope	

Appendix B: Community Profiles for Full-Scope Areas

Table A - Demographic Information of the Assessment Area

Assessment Area: Enid, OK MSA 2010 Census

Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	12	8.3	16.7	58.3	16.7	0.0
Population by Geography	60,580	10.7	20.3	50.4	18.5	0.0
Housing Units by Geography	26,814	10.5	20.6	50.3	18.6	0.0
Owner-Occupied Units by Geography	15,987	7.6	19.0	48.5	24.9	0.0
Occupied Rental Units by Geography	7,707	11.7	25.2	54.7	8.5	0.0
Vacant Units by Geography	3,120	22.6	17.6	48.8	11.1	0.0
Businesses by Geography	3,536	4.8	28.9	46.2	20.1	0.0
Farms by Geography	259	0.8	17.8	47.9	33.6	0.0
Family Distribution by Income Level	15,461	19.1	18.7	19.5	42.7	0.0
Household Distribution by Income Level	23,694	19.5	18.3	17.5	44.7	0.0
Median Family Income Enid, OK MSA		\$50,152	Median Housing Value			\$83,498
			Median Gross Rent			\$595
			Families Below Poverty Level			13.1%

Source: 2010 U.S. Census and 2016 D&B Data

Due to rounding, totals may not equal 100.0

(*) The NA category consists of geographies that have not been assigned an income classification.

Table A - Demographic Information of the Assessment Area

Assessment Area: Enid, OK MSA 2015 Census

Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	12	0.0	25.0	50.0	25.0	0.0
Population by Geography	62,192	0.0	30.4	44.2	25.4	0.0
Housing Units by Geography	26,856	0.0	30.1	43.0	26.9	0.0
Owner-Occupied Units by Geography	15,938	0.0	26.6	40.3	33.2	0.0
Occupied Rental Units by Geography	7,999	0.0	33.0	49.7	17.2	0.0
Vacant Units by Geography	2,919	0.0	41.3	39.4	19.3	0.0
Businesses by Geography	3,561	0.0	33.6	40.5	25.9	0.0
Farms by Geography	238	0.0	16.8	47.1	36.1	0.0
Family Distribution by Income Level	16,911	19.0	19.9	22.3	38.8	0.0
Household Distribution by Income Level	23,937	21.8	17.0	20.1	41.2	0.0
Median Family Income Enid, OK MSA		\$57,419	Median Housing Value			\$97,211
			Median Gross Rent			\$746
			Families Below Poverty Level			9.9%

Source: 2010 U.S. Census and 2016 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.

SNB has one AA in the state of Oklahoma which meets the requirements of the regulation, and does not arbitrarily exclude low- and moderate-income geographies. The Enid, OK MSA AA is located in the north-central portion of Oklahoma and includes all of Garfield County. The AA consists of 12 census tracts (CT), all in Garfield County. Within the AA, there are three moderate-income CTs, 6 middle-income CTs, and three upper-income CTs. There were no low income CTs in the AA for year 2017. However, one of the moderate-income CTs was identified as a low-income CT during year 2016. SNB currently has 3 locations within its AA.

Description of Assessment Area

Garfield County is located in north-central Oklahoma. It is bordered by Grant County to the north, Noble County to the east, Kingfisher County to the south, and Major County to the west. All physical locations of SNB are located in Garfield County within the city of Enid, which is the largest city in the county and the county seat. All of the bank's deposits are attributed to Garfield County, and the bank holds 23.35 percent of the deposit market share in the county. The Main Branch and the Service Center Branch are both located in the same moderate-income CT. The West Branch is located in an upper-income CT. The most common employment sectors are healthcare, military, petroleum/petrochemical, agricultural, and food production. The retail industry also provides a significant number of jobs in the county.

The tables above summarize the demographic characteristics of SNB's AA. The first table shows the demographic characteristics of the AA according to the 2010 census data, while the second table shows those same characteristics based on the 2015 census data. Population in the AA increased along with the number of businesses from one census to the next. The population of the AA according to the 2015 census data was up to 62,192 persons, with businesses increasing to 3,561. The number of farms in the AA decreased from 259 to 238 in the same period. The median family income increased by approximately 15.49 percent, while the median housing value increased by approximately 16.49 percent. The percentages of families below the poverty level decreased from 13.1 percent to 9.9 percent. Unemployment in the AA is up to 5.41 percent, which is above both state and national averages for unemployment. A little over a third of the population within the AA is classified as low- or moderate-income. The most recent information on the tables shows that 38.9 percent of families are considered low- or moderate-income.

There is strong competition within the AA for financial services, with 14 banks and numerous credit unions located in Enid and the surrounding area. This competition limits opportunities within the AA despite state and federal efforts to promote development in the area. Over 50 percent of Garfield County has been designated by the Oklahoma State Department of Commerce as a State Enterprise Zone. These zones are considered disadvantaged and offer tax incentives to attract businesses. A small portion of the county in South Enid has also been designated a Federal Opportunity Zone, which offers more incentives to attract businesses.

Local community contacts within the AA indicated that there is a need for support programs for small business. They also indicated that there is a need to revitalize blighted areas in Enid.

Appendix C: Tables of Performance Data

Content of Standardized Tables

For purposes of reviewing the lending test tables, the following are applicable: (1) purchased loans are treated as originations/purchases; (2) “aggregate” is the percentage of the aggregate number of reportable loans originated and purchased by all lenders in the MA/AA. Deposit data are compiled by the FDIC and are available as of June 30th of each year. Tables are identified by both letters and numbers, which results from how they are generated in supervisory analytical systems.

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

- Table O. AA 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. AA 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 MA/AA. The table also presents aggregate peer data for the years the data is available.
- Table Q. AA 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 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) throughout those geographies. Because 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 AA.
- Table R. AA Distribution of Loans to Small Businesses by Gross Annual Revenue** - Compares the percentage distribution of the number of small loans (less than or equal to \$1 million) originated and purchased by the bank to businesses with revenues of \$1 million or less to the percentage distribution of businesses with revenues of \$1 million or less. In addition, the table presents the percentage distribution of the number of loans originated and purchased by the bank by loan size, regardless of the revenue size of the business. The table also presents aggregate peer data for the years the data is available.

Table O : Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography																			2015-16
Assessment Area:	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$	% of Total	Overall Market	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate
Enid, OK MSA	28	2,491	100.0	1,628	3.8	3.6	2.5	17.7	25.0	13.6	49.4	39.3	52.6	29.1	32.1	31.3	0.0	0.0	0.0
Total	28	2,491	100.0	1,628	3.8	3.6	2.5	17.7	25.0	13.6	49.4	39.3	52.6	29.1	32.1	31.3	0.0	0.0	0.0

Source: 2010 U.S. Census; 08/12/2015 - 12/31/2016 Bank Data, 2016 HMDA Aggregate Data, Due to rounding, totals may not equal 100.0

Table O : Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography																			2017
Assessment Area:	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$	% of Total	Overall Market	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate
Enid, OK MSA	66	9,496	100.0	1,546	0.0	0.0	0.0	26.6	16.7	15.3	40.3	42.4	42.0	33.2	40.9	42.8	0.0	0.0	0.0
Total	66	9,496	100.0	1,546	0.0	0.0	0.0	26.6	16.7	15.3	40.3	42.4	42.0	33.2	40.9	42.8	0.0	0.0	0.0

Source: 2015 ACS Census; 01/01/2017 - 12/31/2017 Bank Data, 2017 HMDA Aggregate Data, Due to rounding, totals may not equal 100.0

Table P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower																			2015-16
	Total Home Mortgage Loans				Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers		
Assessment Area:	#	\$	% of Total	Overall Market	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate
Enid, OK MSA	28	2,491	100.0	1,628	19.1	7.1	5.0	18.7	7.1	13.8	19.5	14.3	20.2	42.7	67.9	44.8	0.0	3.6	16.2
Total	28	2,491	100.0	1,628	19.1	7.1	5.0	18.7	7.1	13.8	19.5	14.3	20.2	42.7	67.9	44.8	0.0	3.6	16.2

Source: 2010 U.S. Census ; 08/12/2015 - 12/31/2016 Bank Data, 2016 HMDA Aggregate Data, Due to rounding, totals may not equal 100.0

Table P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower																			2017
	Total Home Mortgage Loans				Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers		
Assessment Area:	#	\$	% of Total	Overall Market	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate
Enid, OK MSA	66	9,496	100.0	1,546	19.0	7.6	6.5	19.9	4.5	14.0	22.3	24.2	22.8	38.8	62.1	41.5	0.0	1.5	15.2
Total	66	9,496	100.0	1,546	19.0	7.6	6.5	19.9	4.5	14.0	22.3	24.2	22.8	38.8	62.1	41.5	0.0	1.5	15.2

Source: 2015 ACS Census ; 01/01/2017 - 12/31/2017 Bank Data, 2017 HMDA Aggregate Data, Due to rounding, totals may not equal 100.0

Table Q: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography																			2015-16
Assessment Area:	Total Loans to Small Businesses				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate
Enid, OK MSA	20	6,823	100.0	632	2.3	5.0	4.0	27.2	20.0	26.6	47.2	40.0	43.5	23.3	35.0	25.9	0.0	0.0	0.0
Total	20	6,823	100.0	632	2.3	5.0	4.0	27.2	20.0	26.6	47.2	40.0	43.5	23.3	35.0	25.9	0.0	0.0	0.0

Source: 2016 D&B Data; 08/12/2015 - 12/31/2016 Bank Data; 2016 CRA Aggregate Data,
Due to rounding, totals may not equal 100.0

Table Q: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography																			2017
Assessment Area:	Total Loans to Small Businesses				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate
Enid, OK MSA	20	1,171	100.0	632	0.0	--	0.0	33.6	40.0	30.5	40.5	45.0	40.0	25.9	15.0	29.4	0.0	0.0	0.0
Total	20	1,171	100.0	632	0.0	--	0.0	33.6	40.0	30.5	40.5	45.0	40.0	25.9	15.0	29.4	0.0	0.0	0.0

Source: 2017 D&B Data; 01/01/2017 - 12/31/2017 Bank Data; 2016 CRA Aggregate Data,
Due to rounding, totals may not equal 100.0

Table R: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues											2015-16	
Assessment Area:	Total Loans to Small Businesses				Businesses with Revenues <= 1MM			Businesses with Revenues > 1MM		Businesses with Revenues Not Available		
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans	
Enid, OK MSA	20	6,823	100.0	632	77.6	65.0	34.5	6.0	30.0	16.4	5.0	
Total	20	6,823	100.0	632	77.6	65.0	34.5	6.0	30.0	16.4	5.0	
<i>Source: 2016 D&B Data; 08/12/2015 - 12/31/2016 Bank Data; 2016 CRA Aggregate Data, Due to rounding, totals may not equal 100.0</i>												

Table R: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues											2017	
Assessment Area:	Total Loans to Small Businesses				Businesses with Revenues <= 1MM			Businesses with Revenues > 1MM		Businesses with Revenues Not Available		
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans	
Enid, OK MSA	20	1,171	100.0	632	78.6	75.0	34.5	6.7	25.0	14.7	0.0	
Total	20	1,171	100.0	632	78.6	75.0	34.5	6.7	25.0	14.7	0.0	
<i>Source: 2017 D&B Data; 01/01/2017 - 12/31/2017 Bank Data; 2016 CRA Aggregate Data, Due to rounding, totals may not equal 100.0</i>												