

CRA PUBLIC FILE

LEGACY BANK

The Bank's public file and any written comments about the Bank's CRA performance submitted to the Bank or Agency.

TABLE OF CONTENTS

*Assessment Area Maps

*Written Comments and Complaint Monitoring

*CRA Related Agreements

*Branch Information

- A list of opened and closed branches (plus address) in the past two calendar years
- A list of bank addresses and Census Tracts they are located in and Bank hours
- A list of services each branch provides

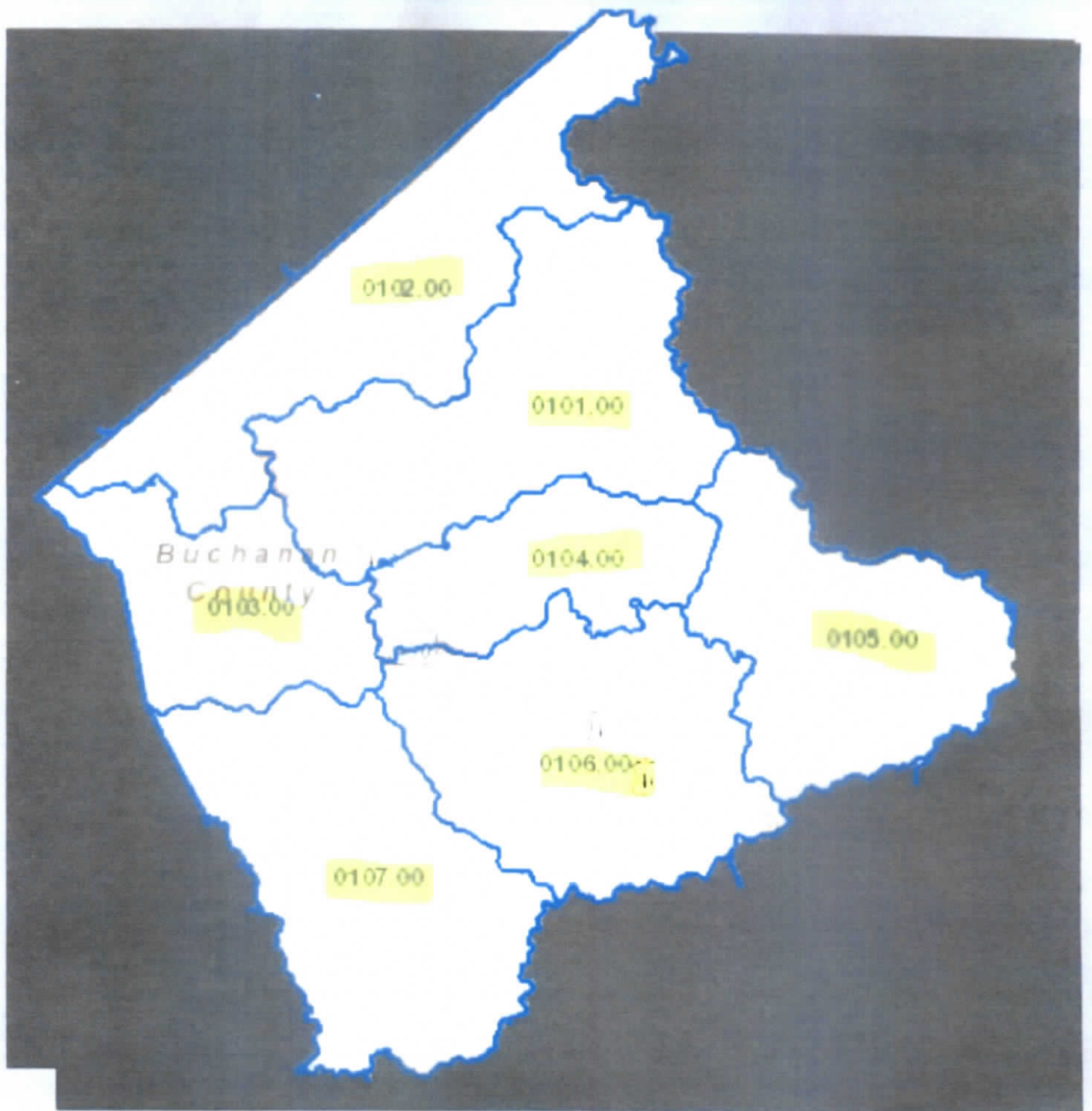
*CRA Disclosure Statement

*Loan to Deposit Ratio

*CRA Policy

*Home Mortgage Disclosure Act (HMDA) Data

*CRA Performance Evaluation



0102.00

0101.00

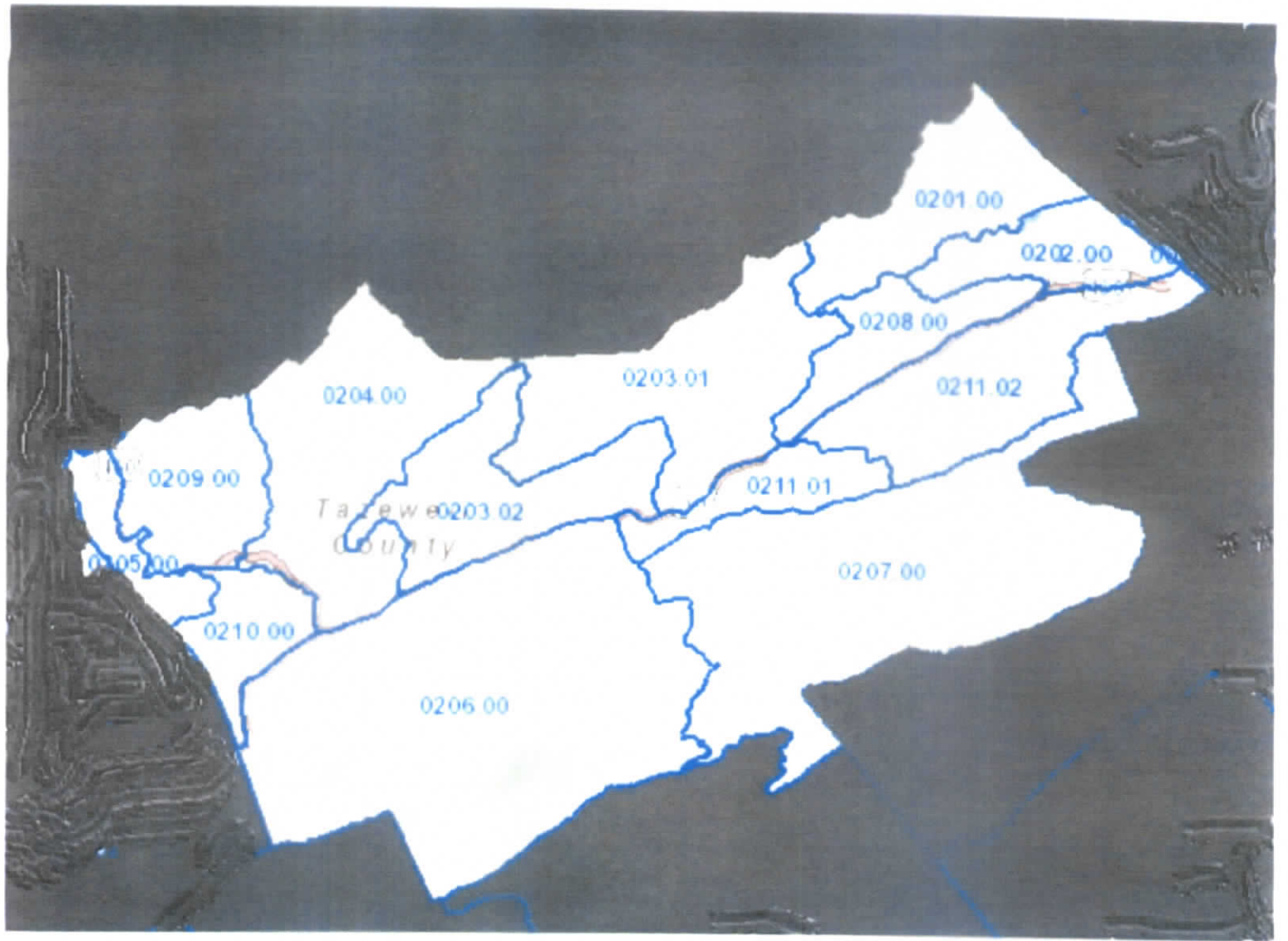
Buchanan
County
0103.00

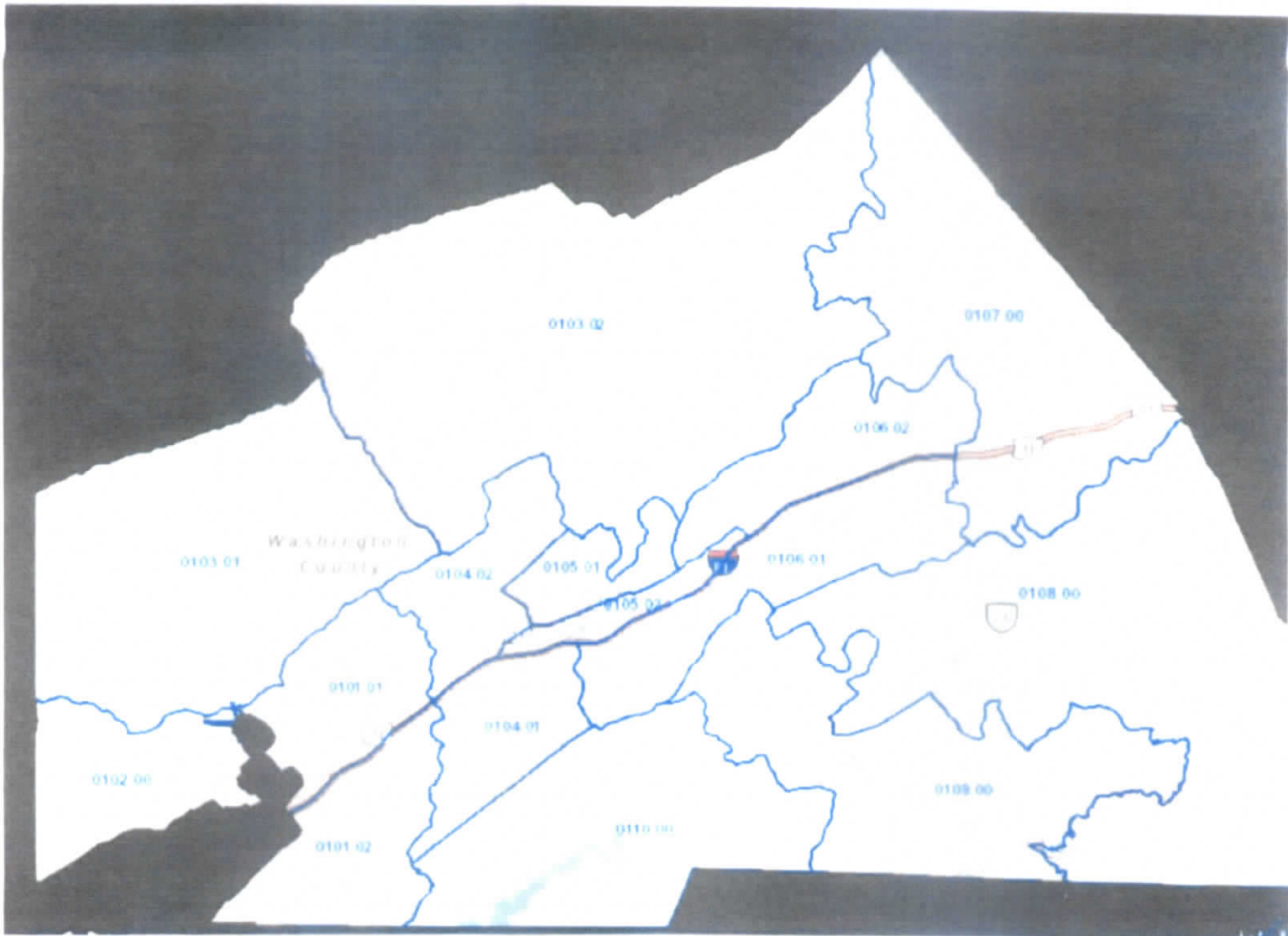
0104.00

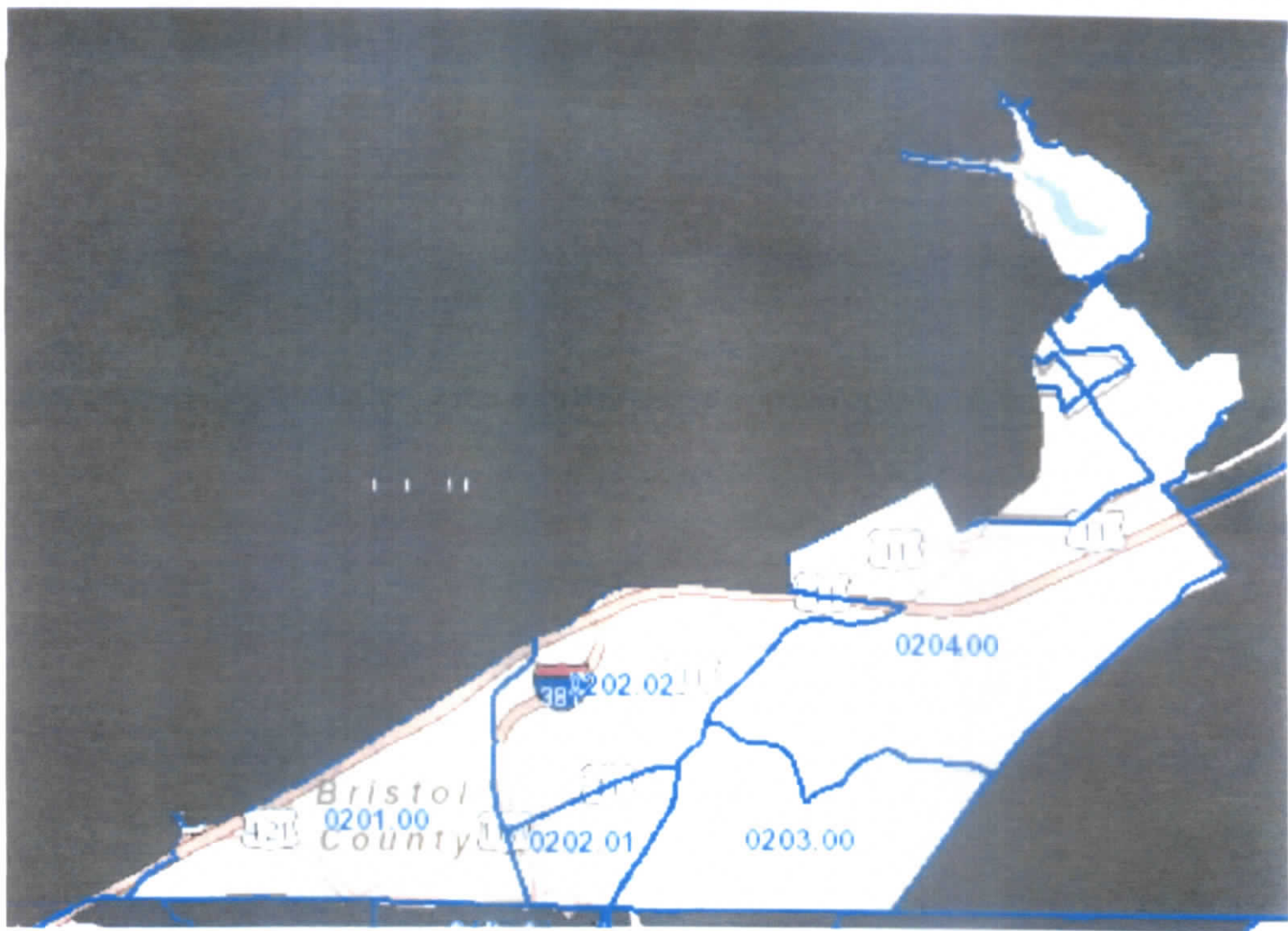
0105.00

0106.00

0107.00







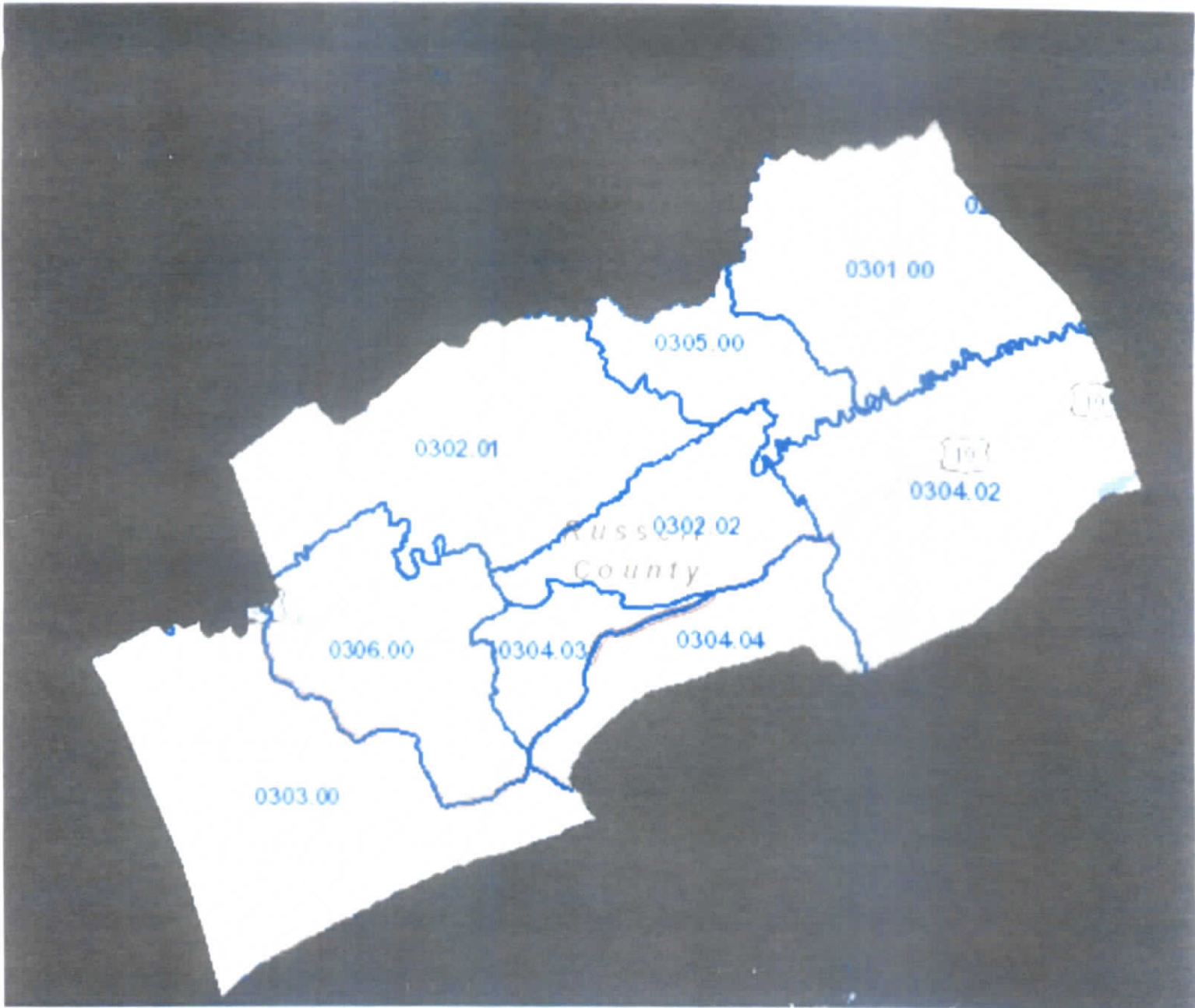
0402.00

0401.00

0403.00

Dickenson
County

0404.00



LEGACY BANK
COMMUNITY REINVESTMENT ACT ASSESSMENT AREA - BUCHANAN COUNTY

In accordance with the Community Reinvestment Act, the areas surrounding our branches located in Buchanan County, Tazewell County, Washington County, Dickenson County, Russell County, Bristol City, Virginia, and Sullivan County, Tennessee, are designated as our assessment areas. This area includes all Census Tracts in and the income category of the census tract locations.

CENSUS TRACT

101.00
102.00
103.00
104.00
105.00
106.00
107.00
9999.99

TRACT INCOME CATEGORY

MIDDLE
MODERATE
MODERATE
MODERATE
MODERATE
MIDDLE
MODERATE
MODERATE

LEGACY BANK
COMMUNITY REINVESTMENT ACT ASSESSMENT AREA - TAZEWELL COUNTY

In accordance with the Community Reinvestment Act, the areas surrounding our branches located in Buchanan County, Tazewell County, Washington County, Dickenson County, Russell County, Bristol City, Virginia, and Sullivan County, Tennessee, are designated as our assessment areas. This area includes all Census Tracts in and the income category of the census tract locations.

CENSUS TRACT

201.00
202.00
203.01
203.02
204.00
205.00
206.00
207.00
208.00
209.00
210.00
211.01
211.02

TRACT INCOME CATEGORY

MIDDLE
MODERATE
MIDDLE
MODERATE
MIDDLE
MODERATE
MIDDLE
MIDDLE
MIDDLE
MIDDLE
MODERATE
MIDDLE
UPPER

LEGACY BANK
COMMUNITY REINVESTMENT ACT ASSESSMENT AREA - WASHINGTON COUNTY
MSA/MD 28700 KINGSPORT-BRISTOL, TN-VA

In accordance with the Community Reinvestment Act, the areas surrounding our branches located in Buchanan County, Tazewell County, Washington County, Dickenson County, Russell County, Bristol City, Virginia, and Sullivan County, Tennessee, are designated as our assessment areas. This area includes all Census Tracts in and the income category of the census tract locations.

| CENSUS TRACT | TRACT INCOME CATEGORY |
|---------------------|------------------------------|
| 101.01 | MIDDLE |
| 101.02 | MIDDLE |
| 102.00 | MIDDLE |
| 103.01 | MIDDLE |
| 103.02 | MIDDLE |
| 104.01 | UPPER |
| 104.02 | UPPER |
| 105.01 | UPPER |
| 105.02 | MIDDLE |
| 106.01 | MIDDLE |
| 106.02 | MIDDLE |
| 107.00 | MIDDLE |
| 108.00 | MIDDLE |
| 109.00 | MIDDLE |
| 110.00 | UPPER |

LEGACY BANK
COMMUNITY REINVESTMENT ACT ASSESSMENT AREA – RUSSELL COUNTY

In accordance with the Community Reinvestment Act, the areas surrounding our branches located in Buchanan County, Tazewell County, Washington County, Dickenson County, Russell County, Bristol City, Virginia, and Sullivan County, Tennessee, are designated as our assessment areas. This area includes all Census Tracts in and the income category of the census tract locations.

| CENSUS TRACT | TRACT INCOME CATEGORY |
|---------------------|------------------------------|
| 301.00 | MODERATE |
| 302.01 | MODERATE |
| 302.02 | MIDDLE |
| 303.00 | MODERATE |
| 304.02 | MIDDLE |
| 304.03 | MIDDLE |
| 304.04 | MODERATE |
| 305.00 | MIDDLE |
| 306.00 | MIDDLE |
| 9999.99 | MIDDLE |

LEGACY BANK
COMMUNITY REINVESTMENT ACT ASSESSMENT AREA - DICKENSON COUNTY

In accordance with the Community Reinvestment Act, the areas surrounding our branches located in Buchanan County, Tazewell County, Washington County, Dickenson County, Russell County, Bristol City, Virginia, and Sullivan County, Tennessee, are designated as our assessment areas. This area includes all Census Tracts in and the income category of the census tract locations.

CENSUS TRACT

401.00
402.00
403.00
404.00
9999.99

TRACT INCOME CATEGORY

MODERATE
MODERATE
MODERATE
MODERATE
MODERATE

LEGACY BANK
COMMUNITY REINVESTMENT ACT ASSESSMENT AREA - BRISTOL CITY

In accordance with the Community Reinvestment Act, the areas surrounding our branches located in Buchanan County, Tazewell County, Washington County, Dickenson County, Bassett County, Bristol City, Virginia, and Sullivan County, Tennessee, are designated as our assessment areas. This area includes all Census Tracts in and the income category of the census tract locations.

CENSUS TRACT

201.00
202.01
202.02
203.00
204.00
9999.99

TRACT INCOME CATEGORY

MODERATE
LOW
UPPER
MODERATE
MIDDLE
MIDDLE

LEGACY BANK
COMMUNITY REINVESTMENT ACT ASSESSMENT AREA – SULLIVAN COUNTY

In accordance with the Community Reinvestment Act, the areas surrounding our branches located in Buchanan County, Tazewell County, Washington County, Dickenson County, Russell County, Bristol City, Virginia, and Sullivan County, Tennessee, are designated as our assessment areas. This area includes all Census Tracts in and the income category of the census tract locations.

| CENSUS TRACT | TRACT INCOME CATEGORY |
|--------------|-----------------------|
| 402.00 | LOW |
| 403.00 | MODERATE |
| 405.00 | MODERATE |
| 406.00 | MODERATE |
| 407.00 | UPPER |
| 408.00 | MODERATE |
| 409.00 | MIDDLE |
| 410.00 | UPPER |
| 411.00 | MIDDLE |
| 412.00 | MIDDLE |
| 413.00 | MIDDLE |
| 414.00 | MIDDLE |
| 415.00 | UPPER |
| 416.00 | MIDDLE |
| 417.00 | MIDDLE |
| 418.00 | MODERATE |
| 419.00 | MIDDLE |
| 420.00 | MIDDLE |
| 421.00 | MIDDLE |
| 422.00 | UPPER |
| 423.00 | UPPER |
| 424.00 | MIDDLE |
| 425.00 | UPPER |
| 426.00 | MIDDLE |
| 427.02 | MIDDLE |
| 427.03 | MODERATE |
| 427.04 | MODERATE |
| 428.01 | MIDDLE |
| 428.02 | MODERATE |
| 429.00 | UPPER |
| 430.00 | MIDDLE |
| 431.00 | MIDDLE |
| 432.01 | MIDDLE |
| 432.02 | MIDDLE |
| 433.01 | UPPER |

LEGACY BANK
COMMUNITY REINVESTMENT ACT ASSESSMENT AREA – SULLIVAN COUNTY

| CENSUS TRACT | TRACT INCOME CATEGORY |
|---------------------|------------------------------|
| 433.02 | MIDDLE |
| 434.01 | MIDDLE |
| 434.02 | MIDDLE |
| 435.00 | MIDDLE |
| 436.00 | UPPER |

LEGACY BANK

**There have been no written comments from the public as
of January 15, 2025.**

LEGACY BANK

There are no CRA Related Agreements to report.

LEGACY BANK

In the past two calendar years, Legacy Bank has made the following changes in branch or office locations:

CLOSED – March 15, 2023

Deel Branch

17203 Riverside Dr.

Vansant, VA 24656

Branch Locations & Operating Hours

Grundy - Main Office
 20957 Riverside Dr.
 Grundy, VA 24614
 276-935-8111

Lobby Hours:

Monday - Thursday 8:30 a.m. - 4:00 p.m.
 Friday 8:30 a.m. - 5:00 p.m.

Drive Thru Hours:

Monday - Thursday 8:00 a.m. - 5:00 p.m.
 Friday 8:00 a.m. - 6:00 pm
 Saturday 9:00 a.m. - 12:00 p.m.



MULTIPLE ADDRESSES

| | |
|-------------|--|
| Address | 20957 Riverside Dr. Grundy, Virginia 24614 |
| MSA/MD Code | NA |
| State Code | 51 |
| County Code | 027 |
| Tract Code | 0103 00 |
| MSA/MD Name | NA (Outside of MSA) |
| State Name | VIRGINIA |
| County Name | BUCHANAN COUNTY |

Branch Locations & Operating Hours

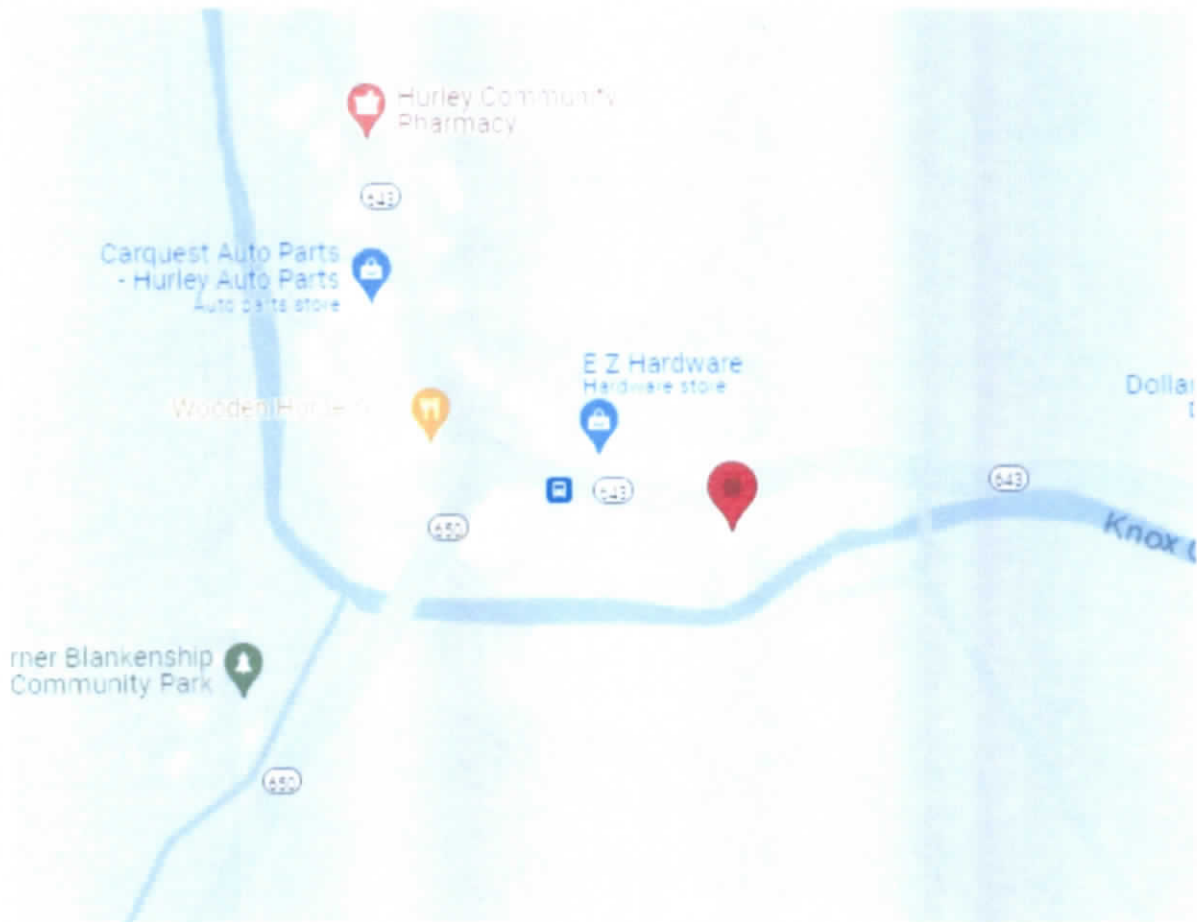
Hurley Branch
10073 Hurley Rd.
Hurley, VA 24620

Lobby Hours:

Monday - Thursday 8:30 a.m. - 4:00 p.m.
Friday 8:30 a.m. - 5:00 p.m.

Drive Thru Hours:

Monday - Friday 8:00 a.m. - 6:00 p.m.



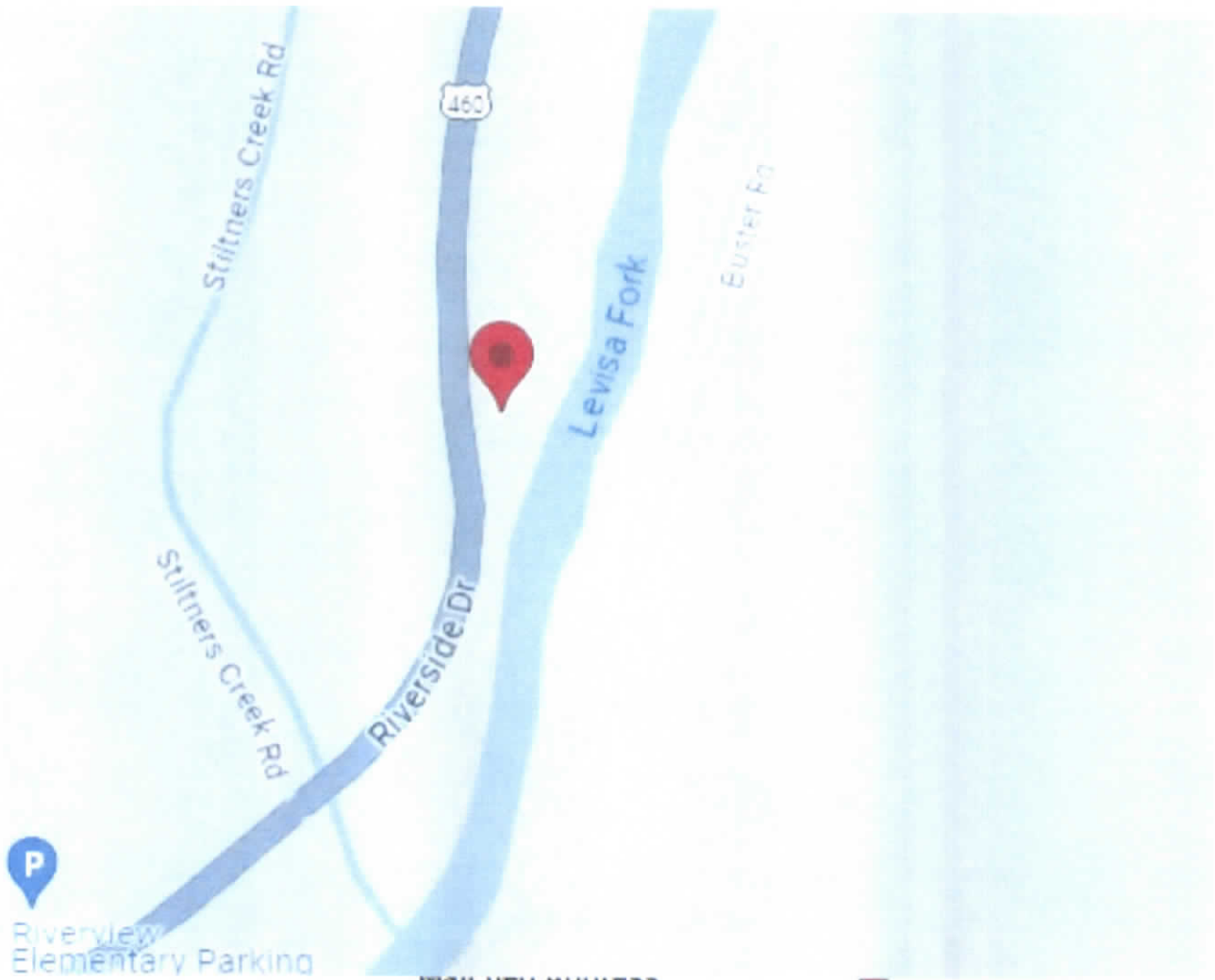
| | |
|-------------|---|
| Address | 10073 Hurley Rd Hurley, Virginia, 24620 |
| MSA/MD Code | NA |
| State Code | 51 |
| County Code | 027 |
| Tract Code | 010100 |
| MSA/MD Name | NA (Outside of MSA) |
| State Name | VIRGINIA |
| County Name | BUCHANAN COUNTY |

Branch Locations & Operating Hours

Stiltner's Creek Branch
27113 Riverside Dr.
Grundy, VA 24614
276-935-2835

DRIVE THRU ONLY

Drive Thru Hours:
Monday - Friday 8:00 a.m. - 5:00 p.m.



| MATCHED ADDRESS | |
|-----------------|---|
| Address | 27113 Riverside Dr. Grundy, Virginia. 24614 |
| MSA/MD Code | NA |
| State Code | 51 |
| County Code | 027 |
| Tract Code | 0101 00 |
| MSA/MD Name | NA (Outside of MSA) |
| State Name | VIRGINIA |
| County Name | BUCHANAN COUNTY |

Branch Locations & Operating Hours

Abingdon Branch
498 Cummings St.
Abingdon, VA 24210

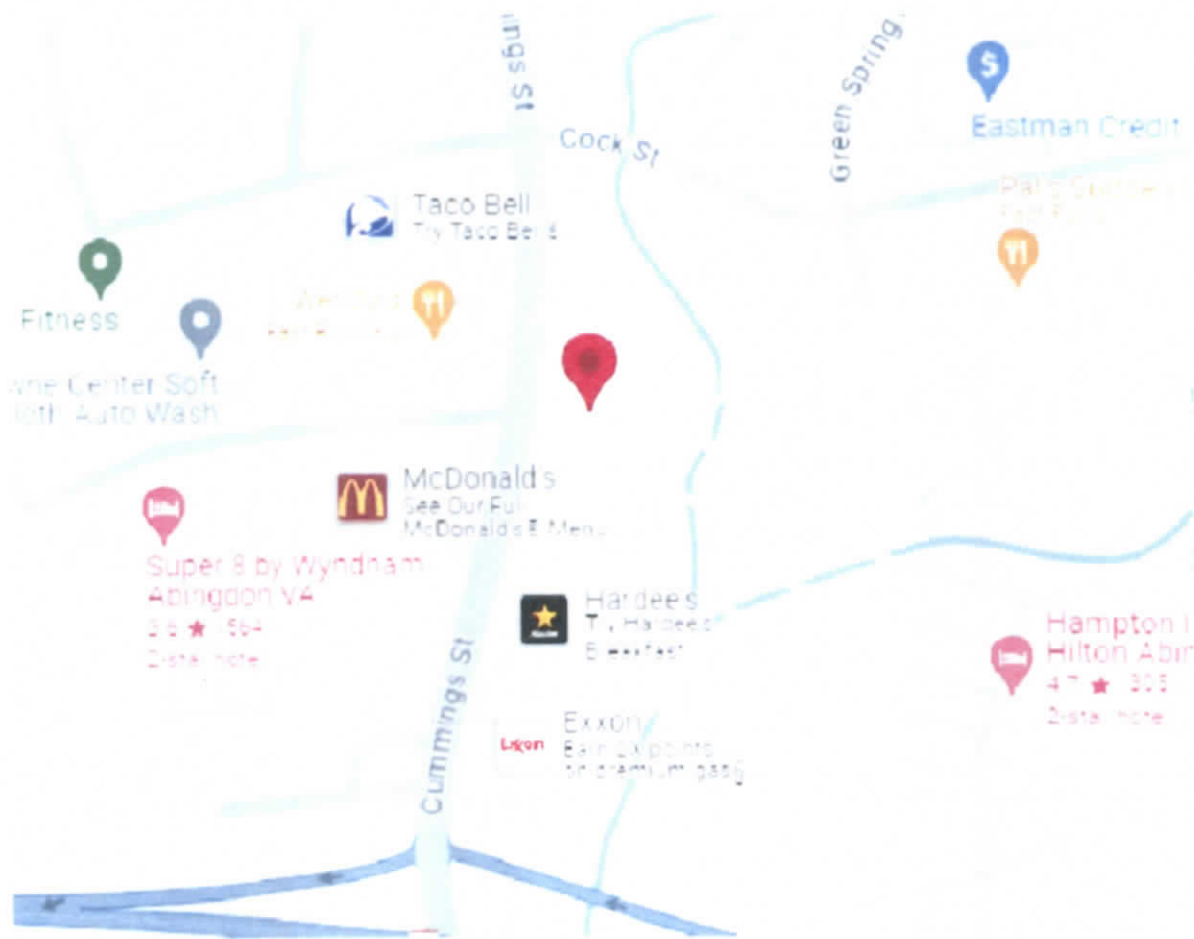
Lobby Hours:

Monday - Thursday 8:30 a.m. - 4:00 p.m.

Friday 8:30 a.m. - 5:00 p.m.

Drive Thru Hours:

Monday - Friday 8:00 a.m. - 6:00 p.m.



| | |
|-------------|--|
| Address | 498 Cummings St. Abingdon, Virginia. 24210 |
| MSA/MD Code | 28700 |
| State Code | 51 |
| County Code | 191 |
| Tract Code | 0105 02 |
| MSA/MD Name | KINGSPORT-BRISTOL, TN-VA |
| State Name | VIRGINIA |
| County Name | WASHINGTON COUNTY |

Branch Locations & Operating Hours

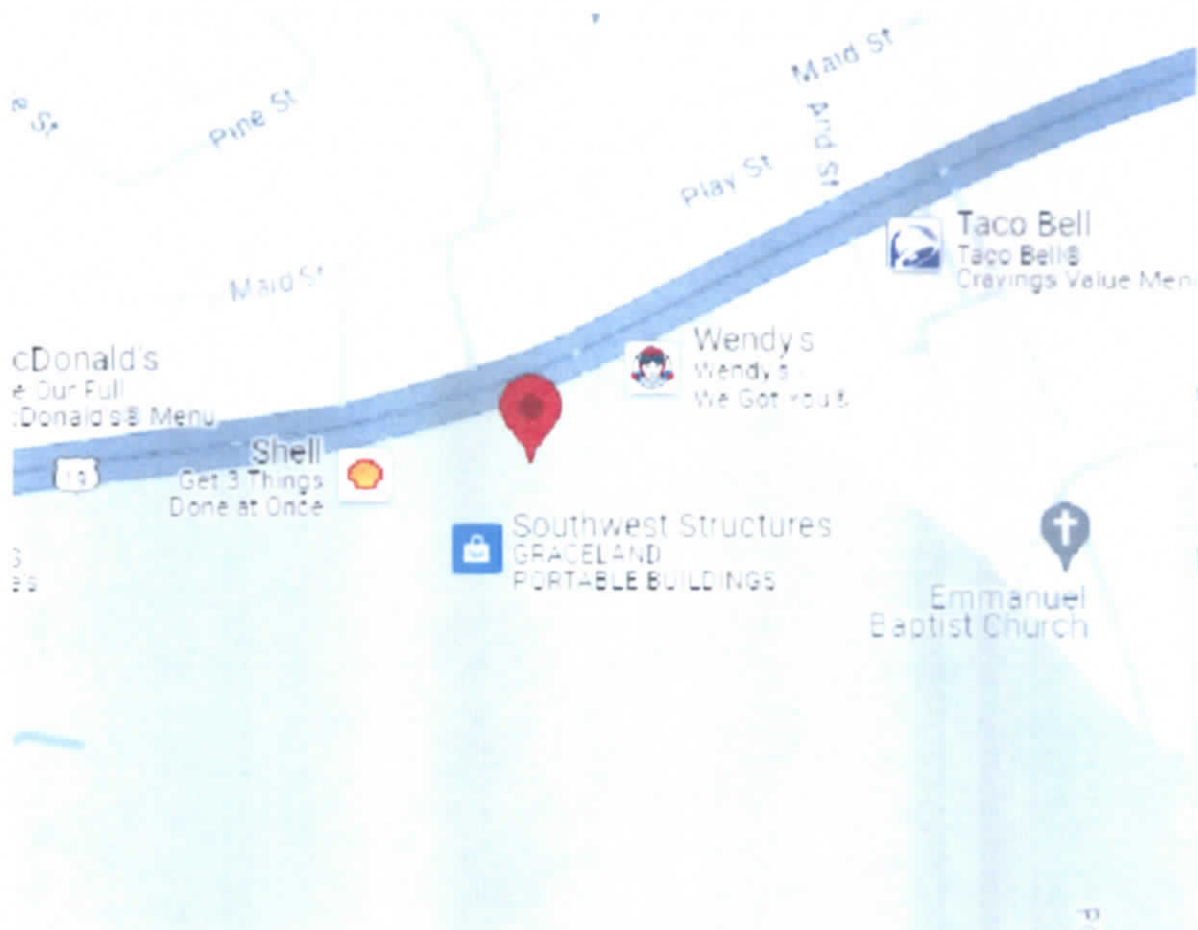
Claypool Hill Branch
12660 Gov. G.C. Perry Hwy.
Pounding Mill, VA 24637

Lobby Hours:

Monday - Thursday 8:30 a.m. - 4:00 p.m.
Friday 8:30 a.m. - 5:00 p.m.

Drive Thru Hours:

Monday - Friday 8:00 a.m. - 6:00 p.m.
Saturday 9:00 a.m. - 12:00 p.m.



| | |
|-------------|---|
| Address | 12660 Governor G C Peery Hwy, Pounding Mill, Virginia, 24637 |
| MSA/MD Code | NA |
| State Code | 51 |
| County Code | 185 |
| Tract Code | 0206 00 |
| MSA/MD Name | NA (Outside of MSA) |
| State Name | VIRGINIA |
| County Name | TAZEWELL COUNTY |

Legacy Bank Locations & Hours

Grundy (Main Branch)

20957 Riverside Dr.
P.O. Box 2080
Grundy, VA 24614
Telephone: (276) 935-8111
Fax: (276) 935-2419

Lobby

Monday – Thursday 8:30am – 4:00pm
Friday 8:30am – 5:00pm

Drive-Thru

Monday – Thursday 8:00am – 5:00pm
Friday 8:00am – 6:00pm
Saturday 9:00am – 12:00pm

ATM

24/7

Hurley * No Loan Officer at this location

10073 Hurley Rd.
Hurley, VA 24620
Telephone: (276) 566-8511
Fax: (276) 566-4139

Lobby

Monday – Thursday 8:30am – 4:00pm
Friday 8:30am – 5:00pm

Drive-Thru

Monday – Thursday 8:00am – 5:00pm
Friday 8:00am – 6:00pm

ATM

24/7

Offsite ATM Locations

The Visitor Center located at Southern Gap Outdoor Adventures
1124 Chipping Sparrow Rd.
Grundy, VA 24614

Stiltner's Creek* No Loan Officer at this location

27113 Riverside Dr.
Grundy, VA 24614
Telephone: (276) 935-2835

Drive-Thru Only

Monday – Friday 8:00am – 5:00pm

***No ATM at this location**

Abingdon

498 Cummings St.
Abingdon, VA 24210
Telephone: (276) 623-9013 Fax: (276) 628-9471

Lobby

Monday – Thursday 8:30am – 4:00pm
Friday 8:30am – 5:00pm

Drive-Thru

Monday – Thursday 8:00am – 5:00pm
Friday 8:00am – 6:00pm

ATM

24/7

Claypool Hill

12660 Governor G.C. Peery Hwy.
Pounding Mill, VA 24637
Telephone: (276) 963-1051
Fax: (276) 963-1054

Lobby

Monday – Thursday 8:30am – 4:00pm
Friday 8:30am – 5:00pm

Drive-Thru

Monday – Thursday 8:00am – 5:00pm
Friday 8:00am – 6:00pm

ATM

24/7

Legacy Bank

Services, loan and deposit products and transaction fees generally offered and any material differences in the availability or cost of service, among locations, if there is any

Consumer Accounts

Hometown Personal Checking
Hometown Interest Checking
Hometown Money Market
Statement Savings
Super Statement Savings
Certificates of Deposit (CD)
Individual Retirement Account (IRA)
Christmas Club
Online Banking
Mobile Banking
Mobile Deposit Capture
Free Visa[®] Debit Card
Instant Issue Debit Card
E Statements
Tele Banking
ATM - (No ATM at Stiltner's Creek Location)
Direct Deposit
Cashier's Checks
Night Depository
Wire Transfers
Overdraft Advantage
Apple Pay, Google Pay, Samsung Pay

Business Accounts

Hometown Business Checking
Hometown Business Interest Checking
Hometown Business Money Market
Statement Savings
Super Statement Savings
Certificates of Deposit (CD)
Online Banking
Free Visa[®] Debit Card
Instant Issue Debit Card
E Statements
Tele Banking
ATM - (No ATM at Stiltner's Creek Location)
Direct Deposit
Cashier's Checks
Night Depository
Wire Transfers

**LEGACY BANK
YOUR ACCOUNTS**

These are accounts you have opened or inquired about. Further details about these accounts are inside this disclosure. If the figures are not filled in, please see your periodic statement.

• **HOMETOWN PERSONAL CHECKING ACCOUNT**

• **HOMETOWN INTEREST CHECKING ACCOUNT**

Rate Information – You will be paid the disclosed interest rate for at least 30 calendar days. We will never decrease this rate unless we first give you at least 30 days notice in writing.
Compounding and crediting frequency – Interest will be compounded every month. Interest will be credited to your account every month.
Minimum balance to open the account – You must deposit \$500.00 to open the account.
Minimum balance fee – \$3.00 minimum balance fee if your account falls below \$500.00 any day during the statement cycle.
Average daily balance computation method – We use the average daily balance method to calculate the interest on your account. This method applies a periodic rate to the average daily balance in the account for the period. The average daily balance is calculated by adding the principal in the account for each day of the period and dividing that figure by the number of days in the period. The period we use is the monthly statement cycle.
Accrual of interest on deposits – Interest begins to accrue on the business day you make a deposit.

The interest rate for your account is _____% with an annual percentage yield of _____%.

• **HOMETOWN MONEY MARKET CHECKING ACCOUNT**

Rate Information – You will be paid the disclosed interest rate for at least 30 calendar days. We will never decrease this rate unless we first give you at least 30 days notice in writing.
Compounding and crediting frequency – Interest will be compounded every month. Interest will be credited to your account every month.
Minimum balance to open the account – You must deposit \$2,500.00 to open the account.
Minimum balance fee – \$3.00 minimum balance fee if your account falls below \$500.00 any day during the statement cycle.
Average daily balance computation method – We use the average daily balance method to calculate the interest on your account. This method applies a periodic rate to the average daily balance in the account for the period. The average daily balance is calculated by adding the principal in the account for each day of the period and dividing that figure by the number of days in the period. The period we use is the monthly statement cycle.
Accrual of interest on deposits – Interest begins to accrue on the business day you make a deposit.

Tier 1 – If your average daily balance is \$2,500.00 or more, but less than \$49,999.99, the interest rate paid on the entire balance in your account will be _____% with an annual percentage yield of _____%.

Tier 2 – If your average daily balance is \$50,000.00 or more, but less than \$99,999.99, the interest rate paid on the entire balance in your account will be _____% with an annual percentage yield of _____%.

Tier 3 – If your average daily balance is \$100,000.00 or more, but less than \$249,999.99, the interest rate paid on the entire balance in your account will be _____% with an annual percentage yield of _____%.

Tier 4 – If your average daily balance is \$250,000.00 or more, the interest rate paid on the entire balance in your account will be _____% with an annual percentage yield of _____%.

• **CHRISTMAS CLUB ACCOUNT**

• **STATEMENT SAVINGS ACCOUNT**

Rate Information – You will be paid the disclosed interest rate for at least 30 calendar days. We will never decrease this rate unless we first give you at least 30 days notice in writing.
Compounding and crediting frequency – Interest will be compounded semiannually. Interest will be credited to your account semiannually.
Effect of closing an account – If you close your account before interest is credited, you will receive the accrued interest.
Minimum balance to open the account – You must deposit \$20.00 to open the account.
Average daily balance computation method – We use the average daily balance method to calculate the interest on your account. This method applies a periodic rate to the principal in the account each day.
Accrual of interest on deposits – Interest begins to accrue on the business day you make a deposit.

The interest rate for your account is _____% with an annual percentage yield of _____%.

• **SUPER STATEMENT SAVINGS ACCOUNT**

Rate Information – You will be paid the disclosed interest rate for at least 30 calendar days. We will never decrease this rate unless we first give you at least 30 days notice in writing.
Compounding and crediting frequency – Interest will be compounded semiannually. Interest will be credited to your account semiannually.
Effect of closing an account – If you close your account before interest is credited, you will receive the accrued interest.
Minimum balance to open the account – You must deposit \$200.00 to open the account.
Minimum balance fee – \$3.00 minimum balance fee if your account falls below \$2,500.00 any day during the statement cycle.
Average daily balance computation method – We use the average daily balance method to calculate the interest on your account. This method applies a periodic rate to the principal in the account each day.
Accrual of interest on deposits – Interest begins to accrue on the business day you make a deposit.

Tier 1 – If your average daily balance is \$2,500.00 or more, but less than \$99,999.99, the interest rate paid on the entire balance in your account will be _____% with an annual percentage yield of _____%.

Tier 2 – If your average daily balance is \$100,000.00 or more, but less than \$499,999.99, the interest rate paid on the entire balance in your account will be _____% with an annual percentage yield of _____%.

Tier 3 – If your average daily balance is \$500,000.00 or more, the interest rate paid on the entire balance in your account will be _____% with an annual percentage yield of _____%.

• **CERTIFICATE OF DEPOSIT**

Rate information – The interest rate on your account is _____% with an annual percentage yield of _____%. You will be paid this rate until first maturity.
Compounding frequency – Interest will be compounded every _____.
Minimum balance to open the account – You must deposit \$500.00 to open the account.
Minimum balance to obtain the annual percentage yield disclosed – You must maintain a minimum balance of \$500.00 in the account each day to obtain the disclosed annual percentage yield.
Daily balance computation method – We use the daily balance method to calculate the interest on your account. This method applies a daily periodic rate to the principal in the account each day.
Accrual of interest on deposits – Interest begins to accrue on the business day you make a deposit.
Transaction limitations:
You may not make any deposits into your account before maturity.
You may not make withdrawals of principal from your account before maturity.
You can withdraw interest accrued in the term before maturity of that term without penalty. You can withdraw interest only on the crediting dates.
Time requirements – Your account will mature _____.

**LEGACY BANK
YOUR ACCOUNTS**

These are accounts you have opened or inquired about. Further details about these accounts are inside this disclosure. If the figures are not filled in, please see your periodic statement.

• **HOMETOWN BUSINESS CHECKING ACCOUNT**

Fees – An overdraft charge of 18% will be charged on the daily overdraft balance.

• **HOMETOWN BUSINESS INTEREST CHECKING ACCOUNT**

Rate Information – You will be paid the disclosed interest rate for at least 30 calendar days. We will never decrease this rate unless we first give you at least 30 days notice in writing.
Compounding and crediting frequency – Interest will be compounded every month. Interest will be credited to your account every month.

Minimum balance to open the account – You must deposit \$2,500.00 to open the account.

Minimum balance fee – \$3.00 minimum balance fee if your account falls below \$2,500.00 any day during the statement cycle.

Average daily balance computation method – We use the average daily balance method to calculate the interest on your account. This method applies a periodic rate to the average daily balance in the account for the period. The average daily balance is calculated by adding the principal in the account for each day of the period and dividing that figure by the number of days in the period. The period we use is the monthly statement cycle.

Accrual of interest on deposits – Interest begins to accrue on the business day you make a deposit.

The interest rate for your account is _____% with an annual percentage yield of _____%.

• **HOMETOWN BUSINESS MONEY MARKET CHECKING ACCOUNT**

Rate Information – You will be paid the disclosed interest rate for at least 30 calendar days. We will never decrease this rate unless we first give you at least 30 days notice in writing.

Compounding and crediting frequency – Interest will be compounded every month. Interest will be credited to your account every month.

Minimum balance to open the account – You must deposit \$10,000.00 to open the account.

Minimum balance fee – \$3.00 minimum balance fee if your account falls below \$10,000.00 any day during the statement cycle.

Average daily balance computation method – We use the average daily balance method to calculate the interest on your account. This method applies a periodic rate to the average daily balance in the account for the period. The average daily balance is calculated by adding the principal in the account for each day of the period and dividing that figure by the number of days in the period. The period we use is the monthly statement cycle.

Accrual of interest on deposits – Interest begins to accrue on the business day you make a deposit.

Tier 1 – If your average daily balance is \$2,500.00 or more, but less than \$49,999.99, the interest rate paid on the entire balance in your account will be _____% with an annual percentage yield of _____%.

Tier 2 – If your average daily balance is \$50,000.00 or more, but less than \$99,999.99, the interest rate paid on the entire balance in your account will be _____% with an annual percentage yield of _____%.

Tier 3 – If your average daily balance is \$100,000.00 or more, but less than \$249,999.99, the interest rate paid on the entire balance in your account will be _____% with an annual percentage yield of _____%.

Tier 4 – If your average daily balance is \$250,000.00 or more, the interest rate paid on the entire balance in your account will be _____% with an annual percentage yield of _____%.

• **STATEMENT SAVINGS ACCOUNT**

Rate Information – You will be paid the disclosed interest rate for at least 30 calendar days. We will never decrease this rate unless we first give you at least 30 days notice in writing.

Compounding and crediting frequency – Interest will be compounded semiannually. Interest will be credited to your account semiannually.

Effect of closing an account – If you close your account before interest is credited, you will receive the accrued interest.

Minimum balance to open the account – You must deposit \$20.00 to open the account.

Average daily balance computation method – We use the average daily balance method to calculate the interest on your account. This method applies a periodic rate to the principal in the account each day.

Accrual of interest on deposits – Interest begins to accrue on the business day you make a deposit.

The interest rate for your account is _____% with an annual percentage yield of _____%.

• **SUPER STATEMENT SAVINGS ACCOUNT**

Rate Information – You will be paid the disclosed interest rate for at least 30 calendar days. We will never decrease this rate unless we first give you at least 30 days notice in writing.

Compounding and crediting frequency – Interest will be compounded semiannually. Interest will be credited to your account semiannually.

Effect of closing an account – If you close your account before interest is credited, you will receive the accrued interest.

Minimum balance to open the account – You must deposit \$200.00 to open the account.

Minimum balance fee – \$3.00 minimum balance fee if your account falls below \$2,500.00 any day during the statement cycle.

Average daily balance computation method – We use the average daily balance method to calculate the interest on your account. This method applies a periodic rate to the principal in the account each day.

Accrual of interest on deposits – Interest begins to accrue on the business day you make a deposit.

Tier 1 – If your average daily balance is \$2,500.00 or more, but less than \$99,999.99, the interest rate paid on the entire balance in your account will be _____% with an annual percentage yield of _____%.

Tier 2 – If your average daily balance is \$100,000.00 or more, but less than \$499,999.99, the interest rate paid on the entire balance in your account will be _____% with an annual percentage yield of _____%.

Tier 3 – If your average daily balance is \$500,000.00 or more, the interest rate paid on the entire balance in your account will be _____% with an annual percentage yield of _____%.

• **CERTIFICATE OF DEPOSIT**

Rate Information – The interest rate on your account is _____% with an annual percentage yield of _____%. You will be paid this rate until first maturity.

Compounding frequency – Interest will be compounded every _____.

Minimum balance to open the account – You must deposit \$500.00 to open the account.

Minimum balance to obtain the annual percentage yield disclosed – You must maintain a minimum balance of \$500.00 in the account each day to obtain the disclosed annual percentage yield.

Daily balance computation method – We use the daily balance method to calculate the interest on your account. This method applies a daily periodic rate to the principal in the account each day.

Accrual of interest on deposits – Interest begins to accrue on the business day you make a deposit.

Transaction limitations:

You may not make any deposits into your account before maturity.

You may not make withdrawals of principal from your account before maturity.

You can withdraw interest accrued in the term before maturity of that term without penalty. You can withdraw interest only on the crediting dates.

Time requirements – Your account will mature _____.

LEGACY BANK

The following fees may be assessed against your account and the following transaction limitations, if any, apply to your account.

Check printing (fee depends on style and quantity of checks ordered)

Cashier's Checks

Customer.....\$2.00

Non-Customer.....\$7.00

A Deposit Account is dormant if for twelve months you have made no deposits to the account.

Dormant account fee.....\$20.00

This fee is charged semiannually to account balances below \$50.00

The categories of transactions for which an overdraft fee may be imposed are those by any of the following means: Check, in-person withdrawal, ATM withdrawal, or other electronic means.

Personal & Business overdraft – each overdraft paid.....\$35.00

Personal & Business account nonsufficient funds (NSF) – each item returned.....\$35.00

Account research.....\$20.00 per hour

Stop payment – each.....\$15.00 per item

Returned deposited item.....\$10.00

Wire transfer (outgoing domestic).....\$25.00

Wire transfer (outgoing international).....\$75.00

Wire transfer (incoming domestic and international).....\$15.00

Balancing checkbook.....\$20.00 per hour

Copy of statement with images of checks.....\$5.00

Copy of statement without images of checks.....\$2.00

Hold on account returns.....\$25.00

Debit card replacement.....\$5.00

We reserve the right to require not less than 7 days' notice in writing before each withdrawal from an interest-bearing account other than a time deposit or demand deposit, or from any other savings account as defined by Regulation D. (The law requires us to reserve this right, but it is not our general policy to use it.) Withdrawals from a time account prior to maturity or prior to any notice period may be restricted and may be subject to penalty. See your notice of penalty for early withdrawal.

LEGACY BANK (Consumer)
 GEO-CODED LOANS IN OUR ASSESSMENT AREA
 JANUARY 1, 2024 THROUGH DECEMBER 31, 2024

BUCHANAN COUNTY (27)

| LOAN TYPE | TOTAL DOLLAR AMOUNT | INCOME IN THOUSANDS | | | | | INCOME IN THOUSANDS | | | |
|----------------|---------------------|---------------------|---------|---------|---------|---------|---------------------|---------|-----------|-----|
| | | \$0-15 | \$16-25 | \$26-30 | \$31-40 | \$41-50 | \$51-60 | \$61-70 | OVER \$70 | |
| CENSUS TRACT | | | | | | | | | | |
| 101 (Middle) | \$804,275.94 | 9 | 17 | 8 | 6 | 17 | 11 | 4 | 28 | 100 |
| 102 (Moderate) | \$685,093.55 | 9 | 12 | 9 | 6 | 12 | 4 | 3 | 22 | 77 |
| 103 (Moderate) | \$372,903.81 | 7 | 6 | 5 | 5 | 4 | 5 | 3 | 8 | 43 |
| 104 (Moderate) | \$716,942.79 | 4 | 7 | 3 | 4 | 2 | 1 | 3 | 6 | 30 |
| 105 (Moderate) | \$83,365.18 | 0 | 1 | 2 | 3 | 0 | 0 | 2 | 2 | 10 |
| 106 (Middle) | \$182,346.03 | 1 | 2 | 4 | 1 | 6 | 2 | 1 | 11 | 28 |
| 107 (Moderate) | \$283,194.02 | 2 | 2 | 2 | 6 | 5 | 2 | 0 | 7 | 26 |
| | \$3,128,121.32 | 32 | 47 | 33 | 31 | 46 | 25 | 16 | 84 | 314 |

TOTAL BUCHANAN COUNTY 314

TAZEWELL COUNTY (185)

| LOAN TYPE | TOTAL DOLLAR AMOUNT | INCOME IN THOUSANDS | | | | | INCOME IN THOUSANDS | | | |
|-----------------|---------------------|---------------------|---------|---------|---------|---------|---------------------|---------|-----------|-----|
| | | \$0-15 | \$16-25 | \$26-30 | \$31-40 | \$41-50 | \$51-60 | \$61-70 | OVER \$70 | |
| CENSUS TRACT | | | | | | | | | | |
| 201 (Middle) | \$12,258.75 | 0 | 0 | 0 | 1 | 0 | 0 | 0 | 0 | 1 |
| 202 (Moderate) | \$10,808.85 | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 0 | 1 |
| 203.01 (Middle) | \$111,028.65 | 0 | 0 | 0 | 1 | 0 | 1 | 2 | 2 | 6 |
| 203.02 (Mod) | \$246,342.58 | 0 | 1 | 0 | 1 | 3 | 1 | 2 | 4 | 12 |
| 204 (Middle) | \$194,182.52 | 1 | 0 | 6 | 2 | 4 | 1 | 2 | 5 | 21 |
| 205 (Moderate) | \$37,834.25 | 2 | 1 | 0 | 1 | 1 | 0 | 1 | 1 | 7 |
| 206 (Middle) | \$142,052.30 | 1 | 0 | 0 | 1 | 2 | 1 | 2 | 3 | 10 |
| 207 (Middle) | \$65,243.07 | 0 | 0 | 1 | 1 | 1 | 0 | 1 | 2 | 6 |
| 208 (Middle) | \$131,888.08 | 0 | 0 | 0 | 2 | 1 | 0 | 0 | 0 | 3 |
| 209 (Middle) | \$497,175.18 | 1 | 3 | 1 | 2 | 3 | 1 | 2 | 3 | 16 |
| 210 (Middle) | \$276,447.51 | 0 | 2 | 1 | 1 | 4 | 2 | 1 | 8 | 19 |
| 211.01(Middle) | \$148,634.13 | 0 | 1 | 1 | 0 | 0 | 0 | 1 | 2 | 5 |
| 211.02(Upper) | \$283,000.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 1 |
| | \$2,156,895.87 | 5 | 8 | 10 | 13 | 19 | 7 | 15 | 31 | 108 |

TOTAL TAZEWELL COUNTY 108

WASHINGTON COUNTY (191)

| LOAN TYPE | TOTAL DOLLAR AMOUNT | INCOME IN THOUSANDS | | | | | | | | |
|------------------|---------------------|---------------------|---------|---------|---------|---------|---------|---------|-----------|----|
| | | \$0-15 | \$16-25 | \$26-30 | \$31-40 | \$41-50 | \$51-60 | \$61-70 | OVER \$70 | |
| CENSUS TRACT | | | | | | | | | | |
| 0101.01 (Mid) | \$7,170.51 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 1 |
| 0101.02(Mid) | \$19,091.31 | 0 | 0 | 0 | 0 | 1 | 1 | 0 | 0 | 2 |
| 0102 (Middle) | \$99,475.54 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 4 | 4 |
| 0103.01 (Mid) | \$0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0103.02(Mid) | \$0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0104.01 (Upper) | \$68,463.25 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 1 |
| 0104.02 (Upper) | \$71,258.98 | 0 | 0 | 0 | 0 | 1 | 0 | 0 | 2 | 3 |
| 0105.01 (Upper) | \$0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0105.02 (Mid) | \$30,935.18 | 0 | 0 | 0 | 2 | 0 | 0 | 0 | 1 | 3 |
| 0106.01 (Middle) | \$92,487.50 | 0 | 0 | 0 | 1 | 0 | 0 | 0 | 2 | 3 |
| 0106.02 (Middle) | \$0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0107 (Middle) | \$6,549.37 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 2 |
| 0108 (Middle) | \$52,971.50 | 1 | 0 | 0 | 0 | 0 | 1 | 0 | 1 | 3 |
| 0109 (Middle) | \$0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0110 (Upper) | \$93,401.05 | 2 | 0 | 0 | 1 | 0 | 1 | 1 | 5 | 10 |
| | \$541,804.19 | 4 | 0 | 0 | 4 | 2 | 3 | 1 | 18 | 32 |

TOTAL WASHINGTON COUNTY

32

RUSSELL COUNTY (167)

| LOAN TYPE | TOTAL DOLLAR AMOUNT | INCOME IN THOUSANDS | | | | | | | | |
|---------------|---------------------|---------------------|---------|---------|---------|---------|---------|---------|-----------|----|
| | | \$0-15 | \$16-25 | \$26-30 | \$31-40 | \$41-50 | \$51-60 | \$61-70 | OVER \$70 | |
| CENSUS TRACT | | | | | | | | | | |
| 0301 (Mod) | \$164,296.25 | 3 | 2 | 0 | 1 | 0 | 0 | 1 | 2 | 9 |
| 0302.01 (Mod) | \$24,802.25 | 0 | 0 | 0 | 0 | 1 | 0 | 0 | 0 | 1 |
| 0302.02 (Mid) | \$74,316.65 | 0 | 1 | 0 | 0 | 1 | 2 | 0 | 1 | 5 |
| 0303 (Mod) | \$15,767.50 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 |
| 0304.02 (Mid) | \$56,678.19 | 0 | 2 | 0 | 0 | 2 | 1 | 0 | 0 | 5 |
| 0304.03 (Mid) | \$55,232.33 | 1 | 0 | 0 | 0 | 0 | 1 | 1 | 2 | 5 |
| 0304.04(Mod) | \$20,020.00 | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 1 |
| 0305 (Middle) | \$125,927.81 | 1 | 1 | 0 | 0 | 0 | 0 | 0 | 2 | 4 |
| 0306 (Mid) | \$21,529.21 | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 2 | 3 |
| | \$558,570.19 | 6 | 8 | 0 | 1 | 4 | 4 | 2 | 9 | 34 |

TOTAL RUSSELL COUNTY

34

BRISTOL CITY (520)

| LOAN TYPE | TOTAL DOLLAR AMOUNT | INCOME IN THOUSANDS | | | | | INCOME IN THOUSANDS | | | |
|--------------------|---------------------|---------------------|---------|---------|---------|---------|---------------------|---------|-----------|---|
| | | \$0-15 | \$16-25 | \$26-30 | \$31-40 | \$41-50 | \$51-60 | \$61-70 | OVER \$70 | |
| CENSUS TRACT | | | | | | | | | | |
| 0201(Moderate) | \$0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0202.01 (Low) | \$0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0202.02(Upper) | \$0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0203 (Moderate) | \$0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0204 (Middle) | \$3,750.00 | 0 | 0 | 0 | 0 | 1 | 0 | 0 | 0 | 1 |
| | \$3,750.00 | 0 | 0 | 0 | 0 | 1 | 0 | 0 | 0 | 1 |
| TOTAL BRISTOL CITY | | 1 | | | | | | | | |

DICKENSON COUNTY (51)

| LOAN TYPE | TOTAL DOLLAR AMOUNT | INCOME IN THOUSANDS | | | | | INCOME IN THOUSANDS | | | |
|------------------------|---------------------|---------------------|---------|---------|---------|---------|---------------------|---------|-----------|---|
| | | \$0-15 | \$16-25 | \$26-30 | \$31-40 | \$41-50 | \$51-60 | \$61-70 | OVER \$70 | |
| CENSUS TRACT | | | | | | | | | | |
| 0401 (Mod) | \$69,750.00 | 0 | 0 | 0 | 0 | 0 | 0 | 2 | 0 | 2 |
| 0402 (Mod) | \$13,644.50 | 0 | 0 | 0 | 0 | 1 | 0 | 0 | 0 | 1 |
| 0403 (Mod) | \$0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0404 (Mod) | \$130,684.64 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2 | 2 |
| | \$214,079.14 | 0 | 0 | 0 | 0 | 1 | 0 | 2 | 2 | 5 |
| TOTAL DICKENSON COUNTY | | 5 | | | | | | | | |

SULLIVAN COUNTY TN (163)

| LOAN TYPE | TOTAL DOLLAR AMOUNT | INCOME IN THOUSANDS | | | | | | | | |
|------------------|---------------------|---------------------|---------|---------|---------|---------|---------|---------|-----------|----|
| | | \$0-15 | \$16-25 | \$26-30 | \$31-40 | \$41-50 | \$51-60 | \$61-70 | OVER \$70 | |
| CENSUS TRACT | | | | | | | | | | |
| 0402 (Low) | \$0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0403 (Mod) | \$0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0405 (Mod) | \$0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0406 (Mod) | \$17,167.50 | 0 | 0 | 0 | 0 | 1 | 0 | 0 | 0 | 1 |
| 0407 (Upper) | \$0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0408 (Mod) | \$0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0409 (Middle) | \$0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0410 (Upper) | \$0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0411 (Middle) | \$0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0412 (Middle) | \$0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0413 (Middle) | \$0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0414 (Middle) | \$0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0415 (Upper) | \$0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0416 (Middle) | \$0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0417 (Middle) | \$0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0418 (Mod) | \$0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0419 (Middle) | \$0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0420 (Middle) | \$0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0421 (Middle) | \$0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0422 (Upper) | \$0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0423 (Upper) | \$0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0424 (Middle) | \$0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0425 (Upper) | \$0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0426 (Middle) | \$0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0427.02 (Middle) | \$0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0427.03 (Mod) | \$7,500.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 1 |
| 0427.04 (Mod) | \$16,142.38 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 1 |
| 0428.01 (Middle) | \$0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0428.02 (Mod) | \$0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0429 (Upper) | \$14,750.00 | 0 | 0 | 0 | 0 | 2 | 0 | 0 | 0 | 2 |
| 0430 (Middle) | \$4,768.49 | 0 | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| 0431 (Middle) | \$51,370.36 | 0 | 0 | 1 | 0 | 0 | 0 | 0 | 2 | 3 |
| 0432.01 (Middle) | \$0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0432.02 (Mid) | \$0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0433.01 (Upper) | \$15,867.50 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 1 |
| 0433.02 (Middle) | \$0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0434.01 (Mid) | \$21,509.56 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 1 |
| 0434.02 (Mid) | \$0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0435 (Middle) | \$0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0436 (Upper) | \$0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| ----- | | | | | | | | | | |
| | \$149,075.79 | 0 | 0 | 2 | 0 | 3 | 0 | 0 | 6 | 11 |

TOTAL SULLIVAN COUNTY

11

47 63 45 49 76 39 36 150 505

Number
Loans

Dollar
Amount

Consumer Loans in our assesement area:

505

\$6,752,296.50

Consumer Loans outside our assessment area:

36

\$1,454,655.41

LEGACY BANK (Business)
 GEO-CODED LOANS IN OUR ASSESSMENT AREA
 JANUARY 1, 2024 THROUGH DECEMBER 31, 2024

BUCHANAN COUNTY (27)

| LOAN TYPE | TOTAL DOLLAR AMOUNT | INCOME IN THOUSANDS | INCOME IN THOUSANDS | INCOME IN THOUSANDS | INCOME IN THOUSANDS | INCOME IN THOUSANDS | INCOME IN THOUSANDS | INCOME IN THOUSANDS | INCOME IN THOUSANDS | |
|----------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|----|
| | | \$0-15 | \$16-25 | \$26-30 | \$31-40 | \$41-50 | \$51-60 | \$61-70 | OVER \$70 | |
| CENSUS TRACT | | | | | | | | | | |
| 101 (Middle) | \$214,397.75 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 5 | 5 |
| 102 (Moderate) | \$410,382.50 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2 | 2 |
| 103 (Moderate) | \$532,184.46 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 4 | 4 |
| 104 (Moderate) | \$110,500.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2 | 2 |
| 105 (Moderate) | \$0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 106 (Middle) | \$512,428.79 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 5 | 5 |
| 107 (Moderate) | \$603,516.69 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 4 | 4 |
| | \$2,383,410.19 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 22 | 22 |

TOTAL BUCHANAN COUNTY 22

TAZEWELL COUNTY (185)

| LOAN TYPE | TOTAL DOLLAR AMOUNT | INCOME IN THOUSANDS | INCOME IN THOUSANDS | INCOME IN THOUSANDS | INCOME IN THOUSANDS | INCOME IN THOUSANDS | INCOME IN THOUSANDS | INCOME IN THOUSANDS | INCOME IN THOUSANDS | |
|-----------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|----|
| | | \$0-15 | \$16-25 | \$26-30 | \$31-40 | \$41-50 | \$51-60 | \$61-70 | OVER \$70 | |
| CENSUS TRACT | | | | | | | | | | |
| 201 (Middle) | \$148,750.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 1 |
| 202 (Moderate) | \$174,250.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 1 |
| 203.01 (Middle) | \$63,750.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 1 |
| 203.02 (Mod) | \$30,313.87 | 0 | 0 | 0 | 0 | 0 | 1 | 1 | 0 | 2 |
| 204 (Middle) | \$50,000.00 | 0 | 0 | 0 | 0 | 0 | 1 | 0 | 0 | 1 |
| 205 (Moderate) | \$0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 206 (Middle) | \$220,289.75 | 0 | 0 | 0 | 0 | 1 | 0 | 0 | 3 | 4 |
| 207 (Middle) | \$0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 208 (Middle) | \$0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 209 (Middle) | \$377,452.53 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2 | 2 |
| 210 (Middle) | \$225,500.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 3 | 3 |
| 211.01(Middle) | \$0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 211.02(Upper) | \$52,358.90 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 1 |
| | \$1,342,665.05 | 0 | 0 | 0 | 0 | 1 | 2 | 1 | 12 | 16 |

TOTAL TAZEWELL COUNTY 16

WASHINGTON COUNTY (191)

| LOAN TYPE | TOTAL DOLLAR AMOUNT | INCOME IN THOUSANDS | | | | | | | | | |
|------------------|---------------------|---------------------|---------|---------|---------|---------|---------|---------|-----------|----|----|
| | | \$0-15 | \$16-25 | \$26-30 | \$31-40 | \$41-50 | \$51-60 | \$61-70 | OVER \$70 | | |
| CENSUS TRACT | | | | | | | | | | | |
| 0101.01 (Mid) | \$0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0101.02(Mid) | \$242,596.80 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 1 |
| 0102 (Middle) | \$0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0103.01 (Mid) | \$50,250.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 1 |
| 0103.02(Mid) | \$0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0104.01 (Upper) | \$0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0104.02 (Upper) | \$236,938.71 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 1 |
| 0105.01 (Upper) | \$2,940,150.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 3 | 3 |
| 0105.02 (Mid) | \$2,000,000.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2 | 2 |
| 0106.01 (Middle) | \$230,836.25 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 3 | 3 |
| 0106.02 (Middle) | \$0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0107 (Middle) | \$0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0108 (Middle) | \$0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0109 (Middle) | \$0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0110 (Upper) | \$0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | \$5,700,771.76 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 11 | 11 |

TOTAL WASHINGTON COUNTY

11

RUSSELL COUNTY (167)

| LOAN TYPE | TOTAL DOLLAR AMOUNT | INCOME IN THOUSANDS | | | | | | | | | |
|---------------|---------------------|---------------------|---------|---------|---------|---------|---------|---------|-----------|---|---|
| | | \$0-15 | \$16-25 | \$26-30 | \$31-40 | \$41-50 | \$51-60 | \$61-70 | OVER \$70 | | |
| CENSUS TRACT | | | | | | | | | | | |
| 0301 (Mod) | \$0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0302.01 (Mod) | \$0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0302.02 (Mid) | \$0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0303 (Mod) | \$990,250.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 1 |
| 0304.02 (Mid) | \$17,003.75 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 1 |
| 0304.03 (Mid) | \$1,428,000.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 1 |
| 0304.04(Mod) | \$821,591.65 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 3 | 3 |
| 0305 (Middle) | \$0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0306 (Mid) | \$0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | \$3,256,845.40 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 6 | 6 |

TOTAL RUSSELL COUNTY

6

BRISTOL CITY (520)

| LOAN TYPE | TOTAL DOLLAR AMOUNT | INCOME IN THOUSANDS | | | | | | | | |
|--------------------|---------------------|---------------------|---------|---------|---------|---------|---------|---------|-----------|---|
| | | \$0-15 | \$16-25 | \$26-30 | \$31-40 | \$41-50 | \$51-60 | \$61-70 | OVER \$70 | |
| CENSUS TRACT | | | | | | | | | | |
| 0201(Moderate) | \$141,525.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 1 |
| 0202.01 (Low) | \$0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0202.02(Upper) | \$136,000.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 1 |
| 0203 (Moderate) | \$209,650.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2 | 2 |
| 0204 (Middle) | \$0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | \$487,175.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 4 | 4 |
| TOTAL BRISTOL CITY | | | 4 | | | | | | | |

DICKENSON COUNTY (51)

| LOAN TYPE | TOTAL DOLLAR AMOUNT | INCOME IN THOUSANDS | | | | | | | | |
|------------------------|---------------------|---------------------|---------|---------|---------|---------|---------|---------|-----------|---|
| | | \$0-15 | \$16-25 | \$26-30 | \$31-40 | \$41-50 | \$51-60 | \$61-70 | OVER \$70 | |
| CENSUS TRACT | | | | | | | | | | |
| 0401 (Mod) | \$0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0402 (Mod) | \$0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0403 (Mod) | \$0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0404 (Mod) | \$0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | \$0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| TOTAL DICKENSON COUNTY | | | 0 | | | | | | | |

SULLIVAN COUNTY TN (163)

| LOAN TYPE | TOTAL DOLLAR AMOUNT | INCOME IN THOUSANDS | INCOME IN THOUSANDS | INCOME IN THOUSANDS | INCOME IN THOUSANDS | INCOME IN THOUSANDS | INCOME IN THOUSANDS | INCOME IN THOUSANDS | INCOME IN THOUSANDS | INCOME IN THOUSANDS |
|------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| | | \$0-15 | \$16-25 | \$26-30 | \$31-40 | \$41-50 | \$51-60 | \$61-70 | OVER \$70 | |
| CENSUS TRACT | | | | | | | | | | |
| 0402 (Low) | \$0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0403 (Mod) | \$0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0405 (Mod) | \$0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0406 (Mod) | \$0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0407 (Upper) | \$0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0408 (Mod) | \$0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0409 (Middle) | \$0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0410 (Upper) | \$0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0411 (Middle) | \$0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0412 (Middle) | \$0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0413 (Middle) | \$0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0414 (Middle) | \$0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0415 (Upper) | \$0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0416 (Middle) | \$0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0417 (Middle) | \$0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0418 (Mod) | \$0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0419 (Middle) | \$0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0420 (Middle) | \$0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0421 (Middle) | \$1,200,439.42 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 1 |
| 0422 (Upper) | \$0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0423 (Upper) | \$0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0424 (Middle) | \$0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0425 (Upper) | \$0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0426 (Middle) | \$0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0427.02 (Middle) | \$0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0427.03 (Mod) | \$150,000.00 | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 0 | 1 |
| 0427.04 (Mod) | \$123,250.00 | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 0 | 1 |
| 0428.01 (Middle) | \$0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0428.02 (Mod) | \$0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0429 (Upper) | \$0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0430 (Middle) | \$0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0431 (Middle) | \$0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0432.01 (Middle) | \$0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0432.02 (Mid) | \$0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0433.01 (Upper) | \$0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0433.02 (Middle) | \$0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0434.01 (Mid) | \$0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0434.02 (Mid) | \$0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0435 (Middle) | \$1,661,132.38 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2 | 2 |
| 0436 (Upper) | \$0.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | \$3,134,821.80 | 0 | 0 | 0 | 0 | 0 | 0 | 2 | 3 | 5 |

TOTAL SULLIVAN COUNTY

| | | | | | | | | | | |
|--|--|---|---|---|---|---|---|---|----|----|
| | | | 5 | | | | | | | |
| | | 0 | 0 | 0 | 0 | 1 | 2 | 3 | 58 | 64 |

Number
Loans

Dollar
Amount

Consumer Loans in our assesment area: 64 \$16,305,689.20

Consumer Loans outside our assessment area: 70 \$18,183,512.78

**Legacy Bank
Loan – To – Deposit Ratio**

Legacy Bank is proud to be an active leader in Buchanan, Tazewell, Washington, Russell, and Dickenson Counties, as well as Bristol City, in Virginia, and Sullivan County, Tennessee. As required by the Community Reinvestment Act, information on our loan to deposit ratio is made available to our customers in our CRA Public File.

| Year | First Quarter | Second Quarter | Third Quarter | Fourth Quarter |
|-------------|----------------------|-----------------------|----------------------|-----------------------|
| 2022 | 57.08% | 57.61% | 55.72% | 55.96% |
| 2023 | 54.65% | 56.28% | 61.86% | 63.07% |
| 2024 | 67.51% | 73.29% | 73.77% | 74.90% |

Yearly Average

| | |
|------|--------|
| 2022 | 56.59% |
| 2023 | 58.97% |
| 2024 | 72.37% |

COMMUNITY REINVESTMENT ACT POLICY
ADOPTED BY THE
BOARD OF DIRECTORS OF LEGACY BANK
GRUNDY, VIRGINIA

In conformance with the Community Reinvestment Act of 1977, which was enacted as Title VIII of the Housing and Community Development Act of 1977 on October 12, 1977, the Board of Directors of Legacy Bank does hereby issue this statement and resolution.

Legacy Bank, Grundy, Virginia, having three locations in Buchanan County, one in the town of Grundy, one at Stiltner's Creek, and one at Hurley, Virginia. Legacy Bank also has a branch in the town of Abingdon, Virginia in Washington County, and a branch in Pounding Mill, Virginia in Tazewell County. The primary objective of this bank is to maintain public confidence and to continue to maintain its reputation as a sound financial institution. These objectives require a reasonably conservative lending policy and an aggressive loan administration program to continue a high proportion of commercial, real estate, and installment loans in its loan portfolio. Legacy Bank intends to continue its policy of providing specific types of loans that will meet the needs of our community including residential loans for 1-4 dwelling units, home improvement loans, mobile home loans, loans to finance new business and consumer loans.

The management of the bank believes that a sound loan policy combined with sound loan administration of its officers will result in a sound portfolio. A sound loan portfolio is a desirable and profitable means of employment shareholder and depositor funds. Management realizes that the lending of money includes the assumption of reasonable business risks. In the soundest of lending programs, losses will occur; but it is our belief that the bank's profits will not be significantly affected by the assumption of reasonable business risk. A no-loan loss policy would be too restrictive and would inhibit severely our future growth. We will minimize loan losses through sound lending policies and practices.

In view of the foregoing, it is hereby resolved by this Board that:

1. Legacy Bank is a community bank dedicated to serving the financial needs of the community in which we do business. The assessment area of the bank is defined as all of Buchanan County, Washington County, and Tazewell County in Virginia. This assessment area consists of whole geographies containing whole census tracts and block numbering areas. It is our policy to try to respond to all credit worthy segments of our market. We believe that doing so is basic to good business practice and to the bank's own long-term vitality. In pursuing this commitment, we will assure that we comply with the letter and the spirit of the Community Reinvestment Act (CRA).
2. The Board, on an annual basis, will appoint a compliance officer. This person will report, for CRA purposes to the Audit and Compliance Committee, consisting of at least three Board members, and to the Board of Directors at their monthly meeting when appropriate.

- a. The compliance officer will assure that the bank meets the procedural requirements of CRA including:
 1. Assuring that the standard CRA notice is posted in our offices as required.
 2. Maintaining a CRA public comments file as required in Section 229.6(a) of the regulation.
 3. The compliance officer will establish a CRA program to assure the bank performs well under the requirements of the Community Reinvestment Act.
 4. The compliance officer will be responsible for establishing and conducting the training necessary to assure bank compliance with this policy and the regulation.
 5. The compliance officer will be responsible for assuring proper record retention.
3. The bank shall endeavor to help meet the needs of the community it serves, including low- and moderate-income neighborhoods. Loans shall be offered in a manner that is consistent with safe and sound banking practices. The bank does not and will not discriminate against credit applicants on the basis of race, color, religion, national origin, sex, marital status, age (provided the applicant has the capacity to enter into a binding contract), or because all or part of the applicant's income is derived from public assistance programs, or because the applicant resides in, or is affiliated with what is considered to be low or moderate income areas.
4. The management of the bank is hereby directed to keep informed of the credit needs of its primary lending area; and, in particular, management should involve itself in organizations through personal involvement or through interviews of people involved in organizations that may reflect the need of the community. Examples of such organizations are the Y.M.C.A, the Board of Education, the Board of Directors at the local hospital, scouting programs, sports leagues, the Public Service Authority, and the Industrial Development Authority. This is not exhaustive; it is simply illustrative.
5. We have implemented practice to serve the low- and moderate-income persons such as cashing government checks (upon presentment of proper identification), offering free senior citizen checking accounts and free non-profit checking accounts.
6. On a semi-annual basis a geographic distributing analysis is performed. This analysis reflects the distribution of loans by type in the different areas of our assessment area. In addition, an income analysis is performed to determine that we are making loans to all income levels in our community. An analysis of denied loans is performed to ascertain that we are not discriminating against any one community of our assessment area.
7. The bank does participate in community projects for the under privileged such as the Christmas in Buchanan County for needy children. Not only does the bank participate but the employees individually are involved in adopting a child for Christmas. The bank is also a corporate sponsor for the annual cancer drive.

8. The bank has adopted a written policy concerning branch closings which contains provisions for appropriate notice of the closing to the local community.
9. The complete staff of the bank is to be trained to become aware that problems do exist in our community. When they are aware of problems that the bank can help solve, they are to bring these problems to the attention of management.
10. The bank shall continue to invest (when the bank's resources allow) in local bond issues.
11. Provided in the public lobby of each of its offices, the public notice set forth below:

Community Reinvestment Act Notice

Under the Federal Community Reinvestment Act (CRA), the Federal Reserve Board (Board) evaluates our record of helping to meet the credit needs of this community consistent with safe and sound operations. The Board also takes this record into account when deciding on certain applications submitted by us.

Your involvement is encouraged.

You are entitled to certain information about our operations and our performance under the CRA, including, for example, information about our branches, such as their location and services provided at them; the public section of our most recent CRA Performance Evaluation, prepared by the Federal Reserve Bank of Richmond (Reserve Bank); and comments received from the public relating to our performance in helping to meet community credit needs, as well as our responses to those comments. You may review this information today.

At least 30 days before the beginning of each quarter, the Federal Reserve System publishes a list of the banks that are scheduled for CRA examination by the Reserve Bank in that quarter. This list is available from Officer in Charge of Consumer Affairs, Federal Reserve Bank of Richmond, 701 East Byrd Street, Richmond, Virginia 23219. You may send written comments about our performance in helping to meet community credit needs to Christina Charles, Compliance Officer, Legacy Bank P.O. Box 2080 Grundy, VA 24614 and Officer in Charge of Consumer Affairs, Federal Reserve Bank of Richmond, 701 East Byrd Street, Richmond, VA 23219. Your letter, together with any response by us, will be considered by the Federal Reserve System in evaluating our CRA performance and may be made public.

You may ask to look at any comments received by the Reserve Bank. You may also request from the Reserve Bank an announcement of our applications covered by the CRA filed with the Reserve Bank. We are an affiliate of GNB Bankshares Corporation, a bank holding company. You may request from Officer in Charge of Supervision, Federal Reserve Bank of Richmond, 701 East Byrd Street, Richmond, Virginia 23219, an announcement of applications covered by the CRA filed by bank holding companies.

Notice for Branch Offices:

Community Reinvestment Act Notice

Under the Federal Community Reinvestment Act (CRA), the Federal Reserve Board (Board) evaluates our record of helping to meet the credit needs of this community consistent with safe and sound operations. The Board also takes this record into account when deciding on certain applications submitted by us.

Your involvement is encouraged.

You are entitled to certain information about our operations and our performance under the CRA. You may review today the public section of our most recent CRA evaluation, prepared by the Federal Reserve Bank of Richmond, 701 E. Byrd St., Richmond, VA 23219, and a list of services provided at this branch. You may also have access to the following additional information, which we will make available to you at this branch within five calendar days after you make a request to us: (1) a map showing the assessment area containing this branch, which is the area in which the Board evaluates our CRA performance in this community; (2) information about our branches in this assessment area; (3) a list of services we provide at those locations; (4) data on our lending performance in this assessment area; and (5) copies of all written comments received by us that specifically relate to our CRA performance in this assessment area, and any responses we have made to those comments. If we are operating under an approved strategic plan, you may also have access to a copy of the plan.

If you would like to review information about our CRA performance in other communities served by us, the public file for our entire bank is available at Legacy Bank, located at 20957 Riverside Drive, Grundy, VA 24614.

At least 30 days before the beginning of each quarter, the Federal Reserve System publishes a list of the banks that are scheduled for CRA examination by the Reserve Bank in that quarter. This list is available from Officer in Charge of Consumer Affairs, Federal Reserve Bank of Richmond, 701 East Byrd Street, Richmond, Virginia 23219. You may send written comments about our performance in helping to meet community credit needs to Christina Charles, Compliance Officer, Legacy Bank P.O. Box 2080 Grundy, VA 24614 and Officer in Charge of Consumer Affairs, Federal Reserve Bank of Richmond, 701 East Byrd Street, Richmond, Virginia 23219. Your letter, together with any response by us, will be considered by the Federal Reserve System in evaluating our CRA performance and may be made public.

You may ask to look at any comments received by the Reserve Bank. You may also request from the Reserve Bank an announcement of our applications covered by the CRA filed with the Reserve Bank. We are an affiliate of GNB Bankshares Corporation, a bank holding company. You may request from Officer in Charge of Supervision, Federal Reserve Bank of Richmond, 701 East Byrd Street, Richmond, Virginia 23219 an announcement of applications covered by the CRA filed by bank holding companies.

| | | | |
|--|---|---|--|
| <p>Approved by Board of Directors</p> | <p>Updated July 14, 2020</p> | <p>Requested by Management</p> | <p>Policy Changes Updated policy to reflect Federal Reserve as Bank regulator</p> |
| <p>Board of Directors</p> | <p>March 12, 2024</p> | <p>Management</p> | <p>Remove Deel Branch</p> |

HOME MORTGAGE DISCLOSURE ACT

The HMDA data about our residential mortgage lending are available for review. The data show geographic distribution of loans and applications; ethnicity, race, sex, and income of applicants and borrowers; and information about loan approvals and denials.

These data are available online at the Consumer Financial Protection Bureau's website (www.consumerfinance.gov/hmda).

HMDA data for many other financial institutions are also available at this website.



PUBLIC DISCLOSURE

March 13, 2023

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Legacy Bank

Grundy, Virginia

**Federal Reserve Bank of Richmond
Richmond, Virginia**

This document is an evaluation of this institution's record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods, consistent with safe and sound operation of the institution. This evaluation is not, nor should it be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion or opinion of the Federal financial supervisory agency concerning the safety and soundness of this financial institution.

PUBLIC DISCLOSURE

March 13, 2023

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Legacy Bank

268828

20957 Riverside Drive

Grundy, Virginia 24614

Federal Reserve Bank of Richmond

P. O. Box 27622

Richmond, Virginia 23261

NOTE: This document is an evaluation of this institution's record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods, consistent with safe and sound operation of the institution. This evaluation is not, nor should it be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion or opinion of the Federal financial supervisory agency concerning the safety and soundness of this financial institution.

TABLE OF CONTENTS

| | Page |
|---|------|
| Institution Rating | |
| Institution's CRA Rating | 1 |
| Institution | |
| Scope of Examination | 1 |
| Description of Institution | 1 |
| Conclusions with Respect to Performance Criteria | 3 |
| Commonwealth of Virginia | |
| State Rating | 5 |
| Scope of Examination | 5 |
| Description of Institution's Operations in Buchanan, VA NonMSA | 5 |
| Conclusions with Respect to Performance Criteria | 7 |
| Kingsport-Bristol TN-VA Multistate Metropolitan Area | |
| Multistate Metropolitan Area Rating | 12 |
| Scope of Examination | 12 |
| Description of Institution's Operations in Kingsport-Bristol TN-VA | 12 |
| Conclusions with Respect to Performance Criteria | 14 |
| Appendices | |
| CRA Appendix A: Scope of Examination | 18 |
| CRA Appendix B: Summary of State and Multistate Metropolitan Area Ratings | 19 |
| CRA Appendix C: Loan, Branch, and Deposit Volume by Assessment Area | 20 |
| CRA Appendix D: Full-Scope Review Tables | 21 |
| CRA Appendix E: Glossary | 23 |

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

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

The major factors supporting this rating include:

- The bank's loan-to-deposit ratio is considered reasonable given the bank's size, financial condition, and credit needs of the bank's assessment areas.
- A majority of the number of Home Mortgage Disclosure Act (HMDA) and small business loans was originated within the bank's assessment areas; however, less than a majority of the dollar volume of such lending was within the assessment areas.
- The bank's lending penetration among borrowers of different income levels, including low- and moderate-income, and businesses of different sizes is considered reasonable overall. Performance, however, varies by assessment area.
- The bank's geographic distribution of loans reflects an excellent dispersion overall, but performance varies by assessment area.
- The institution has not received any complaints regarding its CRA performance since the previous evaluation.

SCOPE OF EXAMINATION

Legacy Bank (LB) was evaluated using the interagency examination procedures for small institutions developed by the Federal Financial Institutions Examination Council (FFIEC). LB is required to report certain information regarding its home mortgage lending in accordance with the HMDA. Accordingly, all reported HMDA loans from 2020 and 2021 were considered in the evaluation. Small business lending was also identified as a primary product line and was considered in the evaluation. The analysis includes all small business loans originated during 2021.

Currently, LB serves two assessment areas located within southwestern Virginia and northeastern Tennessee, and both assessment areas were evaluated using the FFIEC's full-scope examination procedures. The assessment areas include:

- Buchanan, VA NonMSA
- Kingsport-Bristol, TN-VA

Based on the bank's branch locations, an overall rating and ratings for the Commonwealth of Virginia and the multistate metropolitan assessment area were assigned. The institution's overall rating is based on the ratings assigned to Virginia and the multistate metropolitan area. These ratings are weighted primarily according to bank activity as measured by relative lending volume, amount of deposits, and the number of branches. In all cases, conclusions also take into consideration relevant performance context factors. When assigning the institution's overall rating, the bank's performance in Virginia is given the most weight, as a significant portion of the bank's loans, deposits, and branches are located within the state but outside the multistate metropolitan area.

DESCRIPTION OF INSTITUTION

LB is headquartered in Grundy, Virginia, and operates a total of six branch offices and five automated teller machines (ATMs) within southwestern Virginia and northeastern Tennessee. LB, formerly Grundy National Bank, converted from a national charter to a state charter and changed its name in June 2020. The bank is a wholly owned subsidiary of GNB Bankshares, a single-bank holding company, also headquartered in Grundy, Virginia. LB received a Satisfactory rating at its prior CRA evaluation dated April 24, 2017 issued by the Office of the Comptroller of the Currency. No known legal impediments exist that would constrain the bank from meeting the credit needs of its assessment areas.

As of December 31, 2022, the bank reported \$320.1 million in assets, of which 45.3% were net loans and 33.9% were securities. During this same period, deposits totaled \$264.7 million. Various deposit and loan products are available through the institution including loans for residential mortgage, business, and consumer purposes. The composition of the loan portfolio (reflecting gross loans) is represented in the following table.

Composition of Loan Portfolio

| Loan Type | 12/31/2022 | |
|--|----------------|--------------|
| | \$(000s) | % |
| Secured by 1-4 Family dwellings | 26,198 | 17.7 |
| Multifamily | 4,642 | 3.1 |
| Construction and Development | 7,990 | 5.4 |
| Commercial & Industrial/ NonFarm NonResidential | 82,682 | 55.8 |
| Consumer Loans and Credit Cards | 13,036 | 8.8 |
| Agricultural Loans/ Farmland | 7,114 | 4.8 |
| All Other | 6,432 | 4.3 |
| Total | 148,094 | 100.0 |

As indicated in the preceding table, LB is an active commercial/small business and residential mortgage lender. Small business loans (i.e. business purpose loans of \$1 million or less) are a subset of Commercial & Industrial/NonFarm NonResidential loans. The bank offers other loans, such as construction and development, consumer, and agricultural loans; however, the volume of such lending is relatively small in comparison to its residential mortgage and commercial lending.

In April 2020, the Small Business Administration (SBA) created the Paycheck Protection Program (PPP). This program was designed to allow workforces to remain employed and promote economic stability during the coronavirus (COVID-19) pandemic. While banks were not required to participate in the SBA’s PPP lending program, LB was a participant and originated 92 PPP loans totaling approximately \$8.5 million. LB’s origination of PPP loans is an example of the bank being responsive to area credit needs.

Based on branch locations and lending patterns, the bank delineates two assessment areas in southwestern Virginia and northeastern Tennessee. The following table reflects the composition of the bank’s two assessment areas.

| Assessment Area Name | County/City | State | Census Tracts Included |
|--------------------------|-------------------|-------|------------------------|
| Buchanan, VA NonMSA | Buchanan County | VA | All |
| | Dickenson County | VA | All |
| | Russell County | VA | All |
| | Tazewell County | VA | All |
| Kingsport-Bristol, TN-VA | Bristol City | VA | All |
| | Sullivan County | TN | All |
| | Washington County | VA | All |

Since its previous evaluation, the bank has not closed or opened any branch offices.

CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA:

When evaluating the bank's performance, relevant area demographic data from 2015 American Community Survey (ACS) is used as a proxy for demand for residential mortgage loans, while Dun and Bradstreet (D&B) business demographic data from 2021 is used as a proxy for demand when evaluating the bank's small business performance. While ACS data is collected and published by the U.S. Census Bureau on an annual basis, the demographic data relied upon in this performance evaluation is based on ACS data that is updated once every five years.

Aggregate loan data is also used as a proxy for demand when evaluating the bank's HMDA and small business lending performance. The aggregate data includes all activity reported by lenders subject to reporting HMDA and CRA data, respectively, within the bank's assessment areas. Because the bank does not report CRA loan data, LB's small business loans are not included in the aggregate CRA data.

While HMDA loan data from calendar years 2020 and 2021 were fully analyzed and considered in the evaluation, only bank and aggregate data from 2021 are presented in the assessment area tables. In instances where the bank's 2020 performance varies significantly from its 2021 performance, such variance and the corresponding impact on overall performance is discussed. The lending analysis tables for 2020 are located in **Appendix D**.

The borrower and geographic distribution performance of HMDA loans focused on performance for Home Purchase, Home Improvement, Refinancing, and Multi-family loan categories. Performance for the Not Applicable, Other Closed, and Other Line of Credit loan categories was not evaluated because not all HMDA reporters are required to report each loan category, or the category contains relatively few loans overall.

As previously noted, the bank was a participant in the SBA's PPP. Consistent with data collection and reporting requirements of the program, financial institutions were not required to collect or report borrower revenue information for PPP loans. Since PPP loans represent a significant portion of LB's small business lending in 2021, examiners evaluated the borrower distribution performance for small business lending using loan size as a proxy for loans with revenues not available. Borrower distribution performance conclusions in 2021 consider the institution's percentage of small business loans in amounts of \$100,000 or less, with a higher percentage of small dollar loans considered to be more responsive to the needs of smaller-sized businesses and represent a favorable penetration among businesses of different sizes.

To evaluate the borrower and geographic distribution for a specific loan product within an assessment area, primary emphasis is placed on the number (and corresponding percentage) of loans originated and purchased. To arrive at an overall assessment area level conclusion regarding the distribution of lending, performance for each loan product is then generally weighted by the strength of performance and the dollar volume of such loans made in the assessment area. Similarly, when the performance of multiple assessment areas is considered to reach the institution's rating, the overall level of performance from each assessment area is primarily weighted by loan dollar volume within each area during the review period.

Overall, the bank is rated "Satisfactory." This rating considers the bank's loan-to-deposit ratio, proportion of lending within its combined assessment areas, borrower distribution performance, and geographic distribution performance. The components of each test are discussed in the following sections. All conclusions also take into consideration relevant performance context factors.

Loan-To-Deposit Ratio

The bank's loan-to-deposit ratio as of December 31, 2022, equaled 54.8% and averaged 57.7% for the 23-quarter period ending December 31, 2022. In comparison, the average quarterly loan-to-deposit ratios for five similarly situated banks that operate in one or more of LB's assessment areas ranged from 52.8% to 97.4% during the same 23-quarter period. Since June 30, 2017, assets have decreased by 2.9% and loans and deposits have increased by 7.7% and 1.4%, respectively. The bank's loan-to-deposit ratio is considered reasonable given the institution's size, financial condition, market conditions, and local credit needs.

Lending In Assessment Areas

To determine the institution’s volume of lending within its assessment areas, the geographic location of the bank’s HMDA loans originated during calendar years 2020 and 2021, and small business loans originated during 2021, were considered. The lending distribution inside and outside of the bank’s assessment areas is represented in the following table.

Comparison of Credit Extended Inside and Outside of Assessment Area(s)

| Loan Type | Inside | | | | Outside | | | |
|-----------------------------|-----------|-------------|--------------|-------------|-----------|-------------|---------------|-------------|
| | # | % | \$ (000) | % | # | % | \$ (000) | % |
| Home Purchase | 30 | 76.9 | 3,360 | 47.9 | 9 | 23.1 | 3,655 | 52.1 |
| Home Improvement | 2 | 100.0 | 89 | 100.0 | 0 | 0.0 | 0 | 0.0 |
| Refinancing | 5 | 45.5 | 648 | 14.6 | 6 | 54.5 | 3,778 | 85.4 |
| Multi-Family Housing | 1 | 12.5 | 420 | 6.3 | 7 | 87.5 | 6,253 | 93.7 |
| Other Purpose Closed/Exempt | 6 | 100.0 | 1,076 | 100.0 | 0 | 0.0 | 0 | 0.0 |
| Total HMDA related | 44 | 66.7 | 5,593 | 29.0 | 22 | 33.3 | 13,686 | 71.0 |
| Small Business | 45 | 60.0 | 4,099 | 45.5 | 30 | 40.0 | 4,917 | 54.5 |
| TOTAL LOANS | 89 | 63.1 | 9,692 | 34.3 | 52 | 36.9 | 18,603 | 65.7 |

As indicated in the preceding table, a majority of the number of total HMDA (66.7%) and small business loans (60%) were extended to residents and businesses within the bank’s assessment areas. While the majority of loans analyzed were within the bank’s assessment areas, the dollar volume of loans within the assessment areas was less than a majority. This is due in part to the presence of a few larger dollar residential mortgage loans, in particular within the multi-family housing category, that were originated outside the bank’s assessment areas. Additionally, the bank participates in a national referral program for small business loans that originates loans in larger amounts than those that are typically originated within the bank’s assessment areas. Overall, the institution’s level of lending within its assessment areas is considered responsive to community credit needs.

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

LB’s lending to borrowers of different income levels and businesses of different sizes was reasonable in Virginia and poor in the Kingsport-Bristol, TN-VA multistate assessment area. Overall, the bank’s borrower distribution performance is considered reasonable, as greater weight is given to the bank’s performance in Virginia due to the significantly larger proportion of lending during the review period.

Geographic Distribution of Loans

LB’s geographic distribution performance is considered excellent in Virginia, while its performance in the Kingsport-Bristol, TN-VA multistate assessment area is considered reasonable. Overall, the bank’s performance is considered excellent with greater weight afforded to performance in Virginia.

FAIR LENDING OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

No evidence of discriminatory or other illegal credit practices inconsistent with helping to meet community credit needs was identified. Adequate policies, procedures, and training programs have been developed to support nondiscrimination in lending activities.

COMMONWEALTH OF VIRGINIA

CRA RATING FOR VIRGINIA: Satisfactory.

Major factors supporting the rating include:

- Lending to borrowers of different incomes and businesses of different sizes is reasonable.
- The bank's geographic distribution of loans reflects an excellent dispersion throughout the Virginia assessment area.

SCOPE OF EXAMINATION

The bank delineates one assessment area in the Commonwealth of Virginia. Consequently, the Buchanan, VA NonMSA assessment area was evaluated using the FFIEC's full-scope review procedures. Ratings for the Commonwealth of Virginia are based solely on the bank's performance in this assessment area. LB's HMDA data from 2020 and 2021, and its small business originations during 2021 were considered in the evaluation.

DESCRIPTION OF INSTITUTION'S OPERATIONS IN VIRGINIA

The bank's assessment area is located in southwestern Virginia and includes all of Buchanan, Dickenson, Russell, and Tazewell Counties. LB operates five branch offices within the assessment area, and as of June 30, 2021, ranked 5th out of 14 institutions in local deposit market share with 10% of the area's FDIC insured deposits (excluding credit union deposits). According to 2021 aggregate loan data, the institution ranked 19th out of 150 institutions in reported HMDA volume with a 0.1% market share.

According to ACS data from 2015, the assessment area has a population of 111,064 and a median housing value of \$84,954. The owner-occupancy rate for the assessment area equals 64.5%, which is higher than the rates for the entire state (59.2%) and the nonmetropolitan areas of Virginia (57.8%). Within the assessment area, 16.5% of families are considered below the poverty level, which exceeds the rate for the entire state (8.2%) and the nonmetropolitan areas of Virginia (13.3%). The HUD estimated median family income for the nonmetropolitan areas of Virginia during 2020 and 2021 equaled \$58,100 and \$58,900, respectively. The following table includes pertinent demographic data for the assessment area.

Assessment Area Demographics

| Buchanan, VA NonMSA <i>(Based on 2015 ACS Data and 2021 D&B Information)</i> | | | | | | | | |
|--|--|--------------|---|--------------|--|--------------|-----------------------------|--------------|
| Income Categories* | Tract Distribution | | Families by Tract | | Families < Poverty as a % of Families by Tract | | Families by Family Income | |
| | # | % | # | % | # | % | # | % |
| Low | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 | 7,804 | 25.7 |
| Moderate | 10 | 34.5 | 11,928 | 39.3 | 2,683 | 22.5 | 6,051 | 19.9 |
| Middle | 17 | 58.6 | 16,031 | 52.8 | 2,159 | 13.5 | 5,671 | 18.7 |
| Upper | 2 | 6.9 | 2,427 | 7.9 | 162 | 6.7 | 10,860 | 35.7 |
| NA | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 | | |
| Total | 29 | 100.0 | 30,386 | 100.0 | 5,004 | 16.5 | 30,386 | 100.0 |
| | Owner Occupied Units by Tract | | Hous eholds | | | | | |
| | | | HHs by Tract | | HHs < Poverty by Tract | | HHs by HH Income | |
| | # | % | # | % | # | % | # | % |
| Low | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 | 13,567 | 30.5 |
| Moderate | 13,914 | 40.6 | 17,643 | 39.6 | 4,717 | 26.7 | 7,659 | 17.2 |
| Middle | 17,816 | 51.9 | 23,325 | 52.4 | 4,221 | 18.1 | 7,194 | 16.2 |
| Upper | 2,576 | 7.5 | 3,556 | 8.0 | 624 | 17.5 | 16,104 | 36.1 |
| NA | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 | | |
| Total | 34,306 | 100.0 | 44,524 | 100.0 | 9,562 | 21.5 | 44,524 | 100.0 |
| | Total Businesses by Tract | | Businesses by Tract and Revenue Size | | | | | |
| | | | Less than or = \$1 Million | | Over \$1 Million | | Revenue not Reported | |
| | # | % | # | % | # | % | # | % |
| Low | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Moderate | 853 | 29.0 | 752 | 28.8 | 88 | 32.7 | 13 | 22.8 |
| Middle | 1,657 | 56.4 | 1,474 | 56.5 | 146 | 54.3 | 37 | 64.9 |
| Upper | 427 | 14.6 | 385 | 14.7 | 35 | 13.0 | 7 | 12.3 |
| NA | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Total | 2,937 | 100.0 | 2,611 | 100.0 | 269 | 100.0 | 57 | 100.0 |
| | Percentage of Total Businesses: | | | 88.9 | | 9.2 | | 1.9 |

*NA-Tracts without household or family income as applicable

According to data published by the FFIEC in 2020, all ten middle-income census tracts within Buchanan, Dickenson, and Russell Counties were designated as being distressed. FFIEC data from 2021 indicated that all 17 middle-income census tracts in the assessment area were distressed. Additionally, the three middle-income census tracts in Buchanan County were also designated as underserved in 2020 and 2021. Underserved census tracts are typically located in rural communities which lack certain community services/infrastructure and are also distant from more urban population centers. Distressed census tracts experience high poverty, unemployment and population loss.

The assessment area is supported by a mix of private and public employment sectors. Health services, mining, manufacturing, education, and retail, along with local and state government jobs drive the local economy. Major employers include Paramount Coal Company, Walmart, Clinch Valley Community Hospital, local colleges, correctional facilities, and local governments including the area school systems. The following table states the average annual unemployment rates for each county of the assessment area, the nonmetropolitan areas of Virginia, and the entire Commonwealth from 2017-2021.

| Buchanan, VA NonMSA - Average Annual Unemployment Rates | | | | | |
|--|-------------|-------------|-------------|-------------|-------------|
| Area | 2017 | 2018 | 2019 | 2020 | 2021 |
| Buchanan County, VA | 7.00% | 5.40% | 5.49% | 9.44% | 6.74% |
| Dickenson County, VA | 6.72% | 5.08% | 4.91% | 7.90% | 5.32% |
| Russell County, VA | 5.15% | 4.22% | 4.13% | 6.61% | 4.32% |
| Tazewell County, VA | 5.59% | 4.36% | 4.30% | 7.62% | 5.24% |
| NonMSA Virginia | 4.61% | 3.73% | 3.53% | 6.72% | 4.41% |
| Virginia | 3.67% | 2.95% | 2.76% | 6.20% | 3.91% |

Source: Bureau of Labor Statistics (BLS), Local Area Unemployment Statistics

While area unemployment rates have declined significantly since the sharp increase in 2020 caused in large part by the COVID-19 pandemic, unemployment rates in all counties within the assessment area are higher than the rates for the nonmetropolitan areas of Virginia and the entire Commonwealth.

An official from a local economic development authority was recently contacted to discuss the local economic conditions and community credit needs. The contact stated that although the area was impacted during the pandemic, the community has rebounded and is improving. New business opportunities have emerged, and unemployment rates have declined as local businesses are expanding their workforces. The contact indicated that while area financial institutions continue to support the banking needs of the local community, opportunities remain especially with regards to financial education programs for first time homebuyers and foreclosure prevention.

CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA:

During 2021, the bank reported originating \$1.5 million in HMDA loans and \$4 million in small business loans within this assessment area. As such, the bank’s small business lending was given greater weight when determining overall lending distribution performance.

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

The bank’s borrower distribution performance is considered reasonable for both HMDA and small business lending.

Distribution of HMDA Loans by Income Level of Borrower

| Buchanan, VA NonMSA (2021) | | | | | | | | |
|-----------------------------------|--------------------|--------------|-----------------|--------------|------------------|--------------|-----------------|--------------|
| Income Categories | Bank | | | | Aggregate | | | |
| | # | % | \$(000s) | % S | # | % | \$(000s) | % S |
| | HMDA Totals | | | | | | | |
| Low | 0 | 0.0 | 0 | 0.0 | 108 | 8.1 | 9,463 | 5.1 |
| Moderate | 3 | 20.0 | 135 | 9.2 | 341 | 25.4 | 35,014 | 18.9 |
| Middle | 4 | 26.7 | 249 | 17.0 | 370 | 27.6 | 46,153 | 24.9 |
| Upper | 8 | 53.3 | 1,082 | 73.8 | 521 | 38.9 | 94,654 | 51.1 |
| Total | 15 | 100.0 | 1,466 | 100.0 | 1,340 | 100.0 | 185,284 | 100.0 |
| Unknown | 1 | | 67 | | 308 | | 48,834 | |

Percentages (%) are calculated on all loans where incomes are known

During 2021, the bank did not originate any residential mortgage loans to low-income borrowers (0%), lagging the percentage of low-income families in the assessment area (25.7%) and the aggregate level of lending to such borrowers (8.1%). LB’s lending to moderate-income borrowers (20%) approximated the percentage of moderate-income families in the assessment area (19.9%) but slightly lagged the aggregate level of lending to such borrowers (25.4%). The bank’s borrower distribution performance in 2021 is considered poor overall.

In 2020, LB originated 13 HMDA loans totaling \$891,000 for which borrower incomes were known. Of these, three loans (23.1%) totaling \$119,000 were reported to low-income borrowers, and zero loans were reported to moderate-income borrowers. The bank's lending to low-income borrowers approximated the percentage of area low-income families (25.7%) and significantly exceeded the aggregate lending level (8.6%). The bank's lending to moderate-income borrowers (0%) lagged the percentage of area moderate-income families (19.9%) and the aggregate lending level (22.8%). On a combined basis, the bank's performance is reasonable due in large part to the bank's level of lending to low-income borrowers.

Overall, given the relative performance levels each year, the bank's HMDA borrower distribution performance is considered reasonable.

Distribution of Lending by Loan Amount and Size of Business

| Buchanan, VA NonMSA (2021) | | | | | | | | |
|----------------------------|-----------|--------------|--------------|--------------|--------------|--------------|---------------|--------------|
| by Revenue | Bank | | | | Aggregate* | | | |
| | # | % | \$(000s) | % \$ | # | % | \$(000s) | % \$ |
| \$1 Million or Less | 12 | 27.9 | 672 | 16.9 | 596 | 41.3 | 19,202 | 32.4 |
| Over \$1 Million | 7 | 16.3 | 954 | 24.0 | NA | NA | NA | NA |
| Unknown | 24 | 55.8 | 2,347 | 59.1 | NA | NA | NA | NA |
| by Loan Size | | | | | | | | |
| \$100,000 or less | 32 | 74.4 | 1,361 | 34.3 | 1,298 | 90.0 | 21,715 | 36.6 |
| \$100,001-\$250,000 | 5 | 11.6 | 727 | 18.3 | 93 | 6.4 | 14,906 | 25.1 |
| \$250,001-\$1 Million | 6 | 14.0 | 1,884 | 47.4 | 52 | 3.6 | 22,701 | 38.3 |
| Total | 43 | 100.0 | 3,972 | 100.0 | 1,443 | 100.0 | 59,322 | 100.0 |

* No data is available for Aggregate loans with Revenues over \$1 million and those with Unknown revenues

D&B data from 2021 indicates that 88.9% of all local businesses have revenues that do not exceed \$1 million per year. Of the small business loans considered in the evaluation, 27.9% were made to businesses with revenues of \$1 million or less. The percentage of LB's small business loans extended to businesses with revenues of \$1 million or less was impacted by a large volume of loans for which borrower revenue was unknown (55.8% of all loans). As previously noted, the bank was an active PPP lender during 2021, and the PPP loan program did not require the collection or consideration of borrower revenue data. Consequently, large volumes of small business loans were originated during 2021 for which borrower revenue is unknown. However, when considering only loans where borrower revenues were known, a majority of the bank's small business loans were made to businesses with annual revenues of \$1 million or less (63.2%).

Although the bank does not collect or report its small business loan data, aggregate small business data was also considered as an element of performance context in evaluating the bank's distribution by business revenue. During 2021, 41.3% of all reported small business loans in the assessment area were made to businesses with annual revenues of \$1 million or less. The remaining portion of loans were to businesses that either had revenues exceeding \$1 million or had unknown revenues. The 2021 aggregate small business loan data also includes an unknown volume of PPP loans, which limits its usefulness as a proxy when evaluating the bank's performance.

Because smaller dollar loans can demonstrate a willingness to provide credit to small businesses, the bank's distribution by loan size was also considered. Overall, the bank originated 74.4% of its small business loans in amounts of \$100,000 or less which was less than the aggregate reporter level of such lending (90%). As an element of performance context, the bank's PPP small business loans without borrower revenue data were also evaluated by loan size within this assessment area. The following table reflects this distribution.

Distribution of PPP Small Business Loans with Unknowns Revenue by Loan Size

| Buchanan, VA NonMSA (2021) | | | | |
|-----------------------------------|-----------|-------------|----------------|-------------|
| Loan Size | # | % | \$ (000s) | % |
| \$100,000 or less | 18 | 75% | \$719 | 30.7% |
| > \$100,000 to \$250,000 | 2 | 8.3% | \$313 | 13.3% |
| > \$250,000 to \$1,000,000 | 4 | 16.7% | \$1,314 | 56% |
| Total | 24 | 100% | \$2,346 | 100% |

Within the assessment area, a majority (75%) of PPP small business loans for which borrower revenue was not known had loan amounts of \$100,000 or less, indicating that the bank is helping to serve the needs of small businesses in the assessment area.

Overall, the bank's distribution by borrower revenue performance is considered reasonable.

Geographic Distribution of Loans

The bank's assessment area does not contain any low-income census tracts and contains ten moderate-income census tracts. LB's geographic distribution performance is considered excellent for both HMDA and small business lending within the assessment area.

Distribution of HMDA Loans by Income Level of Census Tract

| Buchanan, VA NonMSA (2021) | | | | | | | | |
|----------------------------|----------------------|--------------|--------------|--------------|--------------|--------------|----------------|--------------|
| Income Categories | Bank | | | | Aggregate | | | |
| | # | % | \$(000s) | % S | # | % | \$(000s) | % S |
| | (12) Home Purchase | | | | (954) | | | |
| Low | NA | NA | NA | NA | NA | NA | NA | NA |
| Moderate | 6 | 50.0 | 286 | 30.1 | 277 | 29.0 | 34,003 | 25.3 |
| Middle | 6 | 50.0 | 664 | 69.9 | 511 | 53.6 | 70,230 | 52.2 |
| Upper | 0 | 0.0 | 0 | 0.0 | 166 | 17.4 | 30,184 | 22.5 |
| | (3) Refinance | | | | (648) | | | |
| Low | NA | NA | NA | NA | NA | NA | NA | NA |
| Moderate | 1 | 33.3 | 62 | 11.4 | 155 | 23.9 | 21,207 | 22.7 |
| Middle | 2 | 66.7 | 481 | 88.6 | 375 | 57.9 | 50,458 | 54.1 |
| Upper | 0 | 0.0 | 0 | 0.0 | 118 | 18.2 | 21,666 | 23.2 |
| | (1) Home Improvement | | | | (31) | | | |
| Low | NA | NA | NA | NA | NA | NA | NA | NA |
| Moderate | 1 | 100.0 | 40 | 100.0 | 11 | 35.5 | 730 | 35.8 |
| Middle | 0 | 0.0 | 0 | 0.0 | 16 | 51.6 | 974 | 47.8 |
| Upper | 0 | 0.0 | 0 | 0.0 | 4 | 12.9 | 334 | 16.4 |
| | (0) Multi-Family | | | | (11) | | | |
| Low | NA | NA | NA | NA | NA | NA | NA | NA |
| Moderate | 0 | 0.0 | 0 | 0.0 | 2 | 18.2 | 477 | 13.2 |
| Middle | 0 | 0.0 | 0 | 0.0 | 7 | 63.6 | 1,851 | 51.3 |
| Upper | 0 | 0.0 | 0 | 0.0 | 2 | 18.2 | 1,280 | 35.5 |
| | HMDA Totals | | | | | | | |
| Low | NA | NA | NA | NA | NA | NA | NA | NA |
| Moderate | 8 | 50.0 | 388 | 25.3 | 445 | 27.1 | 56,417 | 24.2 |
| Middle | 8 | 50.0 | 1,145 | 74.7 | 909 | 55.3 | 123,513 | 52.9 |
| Upper | 0 | 0.0 | 0 | 0.0 | 290 | 17.6 | 53,464 | 22.9 |
| NA* | NA | NA | NA | NA | NA | NA | NA | NA |
| Total | 16 | 100.0 | 1,533 | 100.0 | 1,644 | 100.0 | 233,394 | 100.0 |

NA*-Tracts without household or family income as applicable

During 2021, home purchase and refinance loans were extended most frequently by the bank and aggregate lenders in the assessment area. Within the assessment area, 40.6% of owner-occupied housing units and 33.3% of multifamily housing units are located in the moderate-income census tracts. Considering both demographic and aggregate proxies for demand, the bank's performance for home purchase and refinance lending is considered excellent. Home improvement loan performance is also considered excellent, and no multi-family loans were originated by the bank.

Overall, the bank's level of lending in moderate-income census tracts (50%) exceeded the percentage of owner-occupied housing units (40.6%) and the aggregate lending level in such tracts (27.1%). During 2021, the bank's HMDA geographic distribution performance is considered excellent, and its performance during 2020 was substantially similar.

Distribution of Small Business Loans by Income Level of Census Tract

| Buchanan, VA NonMSA (2021) | | | | | | | | |
|-----------------------------------|-------------|--------------|-----------------|--------------|------------------|--------------|-----------------|--------------|
| Income Categories | Bank | | | | Aggregate | | | |
| | # | % | \$(000s) | % S | # | % | \$(000s) | % S |
| Low | NA | NA | NA | NA | NA | NA | NA | NA |
| Moderate | 22 | 51.2 | 2,095 | 52.7 | 417 | 29.7 | 15,562 | 26.4 |
| Middle | 21 | 48.8 | 1,877 | 47.3 | 808 | 57.5 | 34,919 | 59.1 |
| Upper | 0 | 0.0 | 0 | 0.0 | 181 | 12.8 | 8,561 | 14.5 |
| NA* | NA | NA | NA | NA | NA | NA | NA | NA |
| Total | 43 | 100.0 | 3,972 | 100.0 | 1,406 | 100.0 | 59,042 | 100.0 |

**NA-Tracts without household or family income as applicable
 Loans where the geographic location is unknown are excluded from this table.*

The bank's small business lending in moderate-income census tracts (51.2%) significantly exceeded the percentage of area businesses located in moderate-income tracts (29%) and the aggregate lending level in such tracts (29.7%). The bank's small business geographic distribution performance is considered excellent.

MULTISTATE METROPOLITAN AREA

CRA RATING FOR KINGSPORT-BRISTOL, TN-VA: Satisfactory.

Major factors supporting the rating include:

- LB's borrower distribution performance is considered very poor for HMDA lending and reasonable for small business lending within the assessment area. Overall, performance is considered poor.
- The bank's geographic distribution of loans is considered reasonable for HMDA lending and very poor for small business lending. Performance is considered reasonable overall.

SCOPE OF EXAMINATION

The Kingsport-Bristol, TN-VA multistate metropolitan assessment area was evaluated using the FFIEC's full-scope review procedures. LB's HMDA loan originations from 2020 and 2021, and small business loans made during 2021, were considered in the evaluation.

DESCRIPTION OF INSTITUTION'S OPERATIONS IN KINGSPORT-BRISTOL, TN-VA

The assessment area is located in southwestern Virginia and northeastern Tennessee and includes all of Bristol City and Washington County, Virginia, and Sullivan County, Tennessee. The bank operates one branch office in this assessment area, and as of June 30, 2021, ranked 18th out of 20 institutions in local deposit market share with 0.5% of the area's insured deposits (excluding credit union deposits). According to 2021 HMDA aggregate data, the bank ranked 65th out of 323 institutions in reported residential mortgage lending with a <0.1% market share.

According to 2015 ACS data, the assessment area has a population of 229,035 and a median housing value of \$125,231. The owner-occupancy rate of the assessment area equals 64.8%, which is comparable to the rate for the entire MSA (64.5%) and exceeds the overall rates for the Commonwealth of Virginia (59.2%) and the State of Tennessee (58.6%). Within the assessment area, 12.5% of families are below the poverty level, which exceeds the rate for the Commonwealth of Virginia (8.2%), but is less than the rates for the entire MSA (13.3%) and the State of Tennessee (13.2%). The median family income for the Kingsport-Bristol, VA MSA equaled \$59,100 during 2020 and \$59,600 during 2021. The following table includes pertinent demographic data for the assessment area.

Assessment Area Demographics

| Kingsport-Bristol, TN-VA | | | | | | | | |
|--|-------------------------------|--------------|----------------------------|--------------|--|--------------|---------------------------|--------------|
| <i>(Based on 2015 ACS Data and 2021 D&B Information)</i> | | | | | | | | |
| Income Categories* | Tract Distribution | | Families by Tract | | Families < Poverty as a % of Families by Tract | | Families by Family Income | |
| | # | % | # | % | # | % | # | % |
| Low | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 | 12,681 | 19.8 |
| Moderate | 12 | 21.4 | 12,103 | 18.9 | 3,191 | 26.4 | 11,810 | 18.4 |
| Middle | 29 | 51.8 | 34,134 | 53.3 | 3,793 | 11.1 | 12,519 | 19.6 |
| Upper | 15 | 26.8 | 17,778 | 27.8 | 991 | 5.6 | 27,005 | 42.2 |
| NA | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 | | |
| Total | 56 | 100.0 | 64,015 | 100.0 | 7,975 | 12.5 | 64,015 | 100.0 |
| | Owner Occupied Units by Tract | | HHs by Tract | | HHs < Poverty by Tract | | HHs by HH Income | |
| | # | % | # | % | # | % | # | % |
| Low | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 | 22,190 | 22.9 |
| Moderate | 11,940 | 17.0 | 21,098 | 21.8 | 6,016 | 28.5 | 15,824 | 16.3 |
| Middle | 38,243 | 54.3 | 50,541 | 52.2 | 7,565 | 15.0 | 16,711 | 17.3 |
| Upper | 20,203 | 28.7 | 25,173 | 26.0 | 2,342 | 9.3 | 42,087 | 43.5 |
| NA | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 | | |
| Total | 70,386 | 100.0 | 96,812 | 100.0 | 15,923 | 16.4 | 96,812 | 100.0 |
| | Total Businesses by Tract | | Less than or = \$1 Million | | Over \$1 Million | | Revenue not Reported | |
| | # | % | # | % | # | % | # | % |
| Low | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Moderate | 2,242 | 24.8 | 2,012 | 24.3 | 207 | 29.8 | 23 | 29.9 |
| Middle | 4,510 | 49.8 | 4,146 | 50.0 | 325 | 46.8 | 39 | 50.6 |
| Upper | 2,304 | 25.4 | 2,127 | 25.7 | 162 | 23.4 | 15 | 19.5 |
| NA | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Total | 9,056 | 100.0 | 8,285 | 100.0 | 694 | 100.0 | 77 | 100.0 |
| Percentage of Total Businesses: | | | | 91.5 | | 7.7 | | 0.8 |

*NA-Tracts without household or family income as applicable

The assessment area has a variety of employment sectors including local government, healthcare, education, and retail establishments. Major employers in the area include Electro Mechanical Corporation, Food City (corporate headquarters and retail space), Walmart, Mountain States Health, and local governments including area school systems. The following table states the average annual unemployment rates for each county of the assessment area, the entire Kingsport-Bristol, TN-VA MSA, the State of Tennessee, and the Commonwealth of Virginia from 2017-2021.

| Kingsport-Bristol, VA - Average Annual Unemployment Rates | | | | | |
|--|-------------|-------------|-------------|-------------|-------------|
| Area | 2017 | 2018 | 2019 | 2020 | 2021 |
| Sullivan County, TN | 4.04% | 3.68% | 3.70% | 7.06% | 4.22% |
| Washington County, VA | 4.07% | 3.35% | 3.31% | 5.78% | 3.57% |
| Bristol city, VA | 4.46% | 3.73% | 3.71% | 7.54% | 4.74% |
| Kingsport-Bristol, TN-VA MSA | 4.11% | 3.64% | 3.66% | 6.83% | 4.12% |
| Tennessee | 3.74% | 3.49% | 3.40% | 7.38% | 4.29% |
| Virginia | 3.67% | 2.95% | 2.76% | 6.20% | 3.91% |

Source: Bureau of Labor Statistics (BLS), Local Area Unemployment Statistics

Area unemployment rates have declined significantly since the sharp increase during 2020 caused in large part by the COVID-19 pandemic. Local unemployment rates are relatively consistent with the MSA and statewide rates.

A local affordable housing official was recently contacted to discuss the housing conditions and community credit needs. The contact noted that resources for first time homebuyers are always in demand and welcomed local financial institutions to partner with nonprofit organizations to increase opportunities for homeownership for first-time homebuyers and low-and moderate- income families. The contact indicated that local financial institutions are reasonably meeting community credit needs.

CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA:

The bank reported originating \$374,000 in HMDA loans during 2021, while small business lending totaled \$126,000 during the same time period. As such, the bank’s HMDA lending performance is generally given greater weight when determining the overall borrower and geographic distribution performance for this assessment area.

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

Within this assessment area, the bank’s borrower distribution performance is considered very poor for HMDA lending and reasonable for small business lending. Overall, LB’s borrower distribution performance is considered poor.

Distribution of HMDA Loans by Income Level of Borrower

| Kingsport-Bristol, TN-VA (2021) | | | | | | | | |
|--|-------------|--------------|-----------------|--------------|------------------|--------------|------------------|--------------|
| Income Categories | Bank | | | | Aggregate | | | |
| | # | % | \$(000s) | % \$ | # | % | \$(000s) | % \$ |
| HMDA Totals | | | | | | | | |
| Low | 0 | 0.0 | 0 | 0.0 | 574 | 7.9 | 50,563 | 3.8 |
| Moderate | 0 | 0.0 | 0 | 0.0 | 1,466 | 20.2 | 181,235 | 13.7 |
| Middle | 0 | 0.0 | 0 | 0.0 | 1,821 | 25.1 | 286,450 | 21.7 |
| Upper | 2 | 100.0 | 374 | 100.0 | 3,400 | 46.8 | 803,473 | 60.8 |
| Total | 2 | 100.0 | 374 | 100.0 | 7,261 | 100.0 | 1,321,721 | 100.0 |
| Unknown | 0 | | 0 | | 1,389 | | 302,686 | |

Percentages (%) are calculated on all loans where incomes are known

During 2021, LB did not originate any HMDA loans to low-income borrowers, lagging the percentage of low-income families within the assessment area (19.8%) and the percentage of aggregate lending to such borrowers (7.9%). The bank also did not originate any loans to moderate-income borrowers, lagging the percentage of moderate-income families within the assessment area (18.4%) and the percentage of aggregate lending to such borrowers (20.2%). Accordingly, the bank’s HMDA borrower distribution performance is considered very poor during 2021, and its performance during 2020 was substantially similar.

Distribution of Lending by Loan Amount and Size of Business

| Kingsport-Bristol, TN-VA (2021) | | | | | | | | |
|---------------------------------|----------|--------------|------------|--------------|--------------|--------------|----------------|--------------|
| by Revenue | Bank | | | | Aggregate* | | | |
| | # | % | \$(000s) | % \$ | # | % | \$(000s) | % \$ |
| \$1 Million or Less | 1 | 50.0 | 100 | 79.4 | 1,915 | 42.6 | 73,961 | 35.3 |
| Over \$1 Million | 0 | 0.0 | 0 | 0.0 | NA | NA | NA | NA |
| Unknown | 1 | 50.0 | 26 | 20.6 | NA | NA | NA | NA |
| by Loan Size | Bank | | | | Aggregate* | | | |
| \$100,000 or less | 1 | 50.0 | 26 | 20.6 | 4,026 | 89.6 | 66,766 | 31.8 |
| \$100,001-\$250,000 | 1 | 50.0 | 100 | 79.4 | 266 | 5.9 | 42,709 | 20.4 |
| \$250,001-\$1 Million | 0 | 0.0 | 0 | 0.0 | 199 | 4.5 | 100,312 | 47.8 |
| Total | 2 | 100.0 | 126 | 100.0 | 4,491 | 100.0 | 209,787 | 100.0 |

* No data is available for Aggregate loans with Revenues over \$1 million and those with Unknown revenues

D&B data from 2021 indicates that 91.5% of all local businesses have revenues of \$1 million or less per year. The percentage of the bank’s small business loans extended to businesses with revenues of \$1 million or less was impacted by a large volume of loans for which borrower revenue was unknown (50% of all loans). As previously noted, the bank was an active PPP lender during 2021, and the PPP loan program did not require the collection or consideration of borrower revenue data. Consequently, small business loans were originated during 2021 for which borrower revenue is unknown. However, the bank’s only small business loan with known borrower revenue extended in this assessment area during 2021 was made to a business with annual revenue of \$1 million or less (100%).

Although the bank does not collect or report its small business loan data, aggregate small business data was also considered as an element of performance context in evaluating the bank’s distribution by business revenue. During 2021, 42.6% of all reported small business loans were made to businesses with annual revenues of \$1 million or less. The remaining portion of loans were to businesses that either had revenues exceeding \$1 million or had unknown revenues. The 2021 aggregate small business loan data also includes an unknown volume of PPP loans, which limits its usefulness as a proxy when evaluating the bank’s performance.

Because smaller dollar loans can demonstrate a willingness to provide credit to small businesses, the bank’s distribution by loan size was also considered. Overall, the bank originated 50% of its small business loans in amounts of \$100,000 or less, which was less than the aggregate reporter level of such lending (89.6%). As an element of performance context, the bank’s PPP small business loans without borrower revenue data were also evaluated by loan size within this assessment area. The following table reflects this distribution.

Distribution of PPP Small Business Loans with Unknowns Revenue by Loan Size

| Kingsport-Bristol, TN-VA NonMSA (2021) | | | | |
|--|----------|-------------|-------------|-------------|
| Loan Size | # | % | \$(000s) | % |
| \$100,000 or less | 1 | 100% | 26 | 100% |
| > \$100,000 to \$250,000 | 0 | 0% | 0 | 0% |
| > \$250,000 to \$1,000,000 | 0 | 0% | 0 | 0% |
| Total | 1 | 100% | \$26 | 100% |

Within the assessment area, all (100%) PPP small business loans for which borrower revenue was not known had loan amounts of \$100,000 or less, indicating that the bank is helping to serve the needs of small businesses in the assessment area. Overall, the bank’s borrower distribution performance for small business lending is considered reasonable.

Geographic Distribution of Loans

Within this assessment area, there are no low-income census tracts and 12 moderate-income census tracts. LB's geographic distribution performance is considered reasonable overall for HMDA lending and very poor for small business lending within the assessment area. Overall, performance is considered reasonable with greater weight given to the bank's HMDA performance due to the greater loan volume.

Distribution of HMDA Loans by Income Level of Census Tract

| Kingsport-Bristol, TN-VA (2021) | | | | | | | | |
|--|-------------|--------------|------------------|--------------|-------------------------|--------------|------------------|--------------|
| Income Categories | Bank | | | | Aggregate | | | |
| | # | % | \$ (000s) | % \$ | # | % | \$ (000s) | % \$ |
| | | | (2) | | Home Purchase | | (4,247) | |
| Low | NA | NA | NA | NA | NA | NA | NA | NA |
| Moderate | 0 | 0.0 | 0 | 0.0 | 852 | 20.1 | 123,297 | 14.8 |
| Middle | 1 | 50.0 | 79 | 21.1 | 2,002 | 47.1 | 379,728 | 45.5 |
| Upper | 1 | 50.0 | 295 | 78.9 | 1,393 | 32.8 | 331,290 | 39.7 |
| | | | (0) | | Refinance | | (3,994) | |
| Low | NA | NA | NA | NA | NA | NA | NA | NA |
| Moderate | 0 | 0.0 | 0 | 0.0 | 542 | 13.6 | 68,663 | 9.7 |
| Middle | 0 | 0.0 | 0 | 0.0 | 1,965 | 49.2 | 338,088 | 47.6 |
| Upper | 0 | 0.0 | 0 | 0.0 | 1,487 | 37.2 | 303,143 | 42.7 |
| | | | (0) | | Home Improvement | | (359) | |
| Low | NA | NA | NA | NA | NA | NA | NA | NA |
| Moderate | 0 | 0.0 | 0 | 0.0 | 58 | 16.2 | 3,392 | 14.1 |
| Middle | 0 | 0.0 | 0 | 0.0 | 155 | 43.2 | 9,778 | 40.8 |
| Upper | 0 | 0.0 | 0 | 0.0 | 146 | 40.6 | 10,806 | 45.1 |
| | | | (0) | | Multi-Family | | (50) | |
| Low | NA | NA | NA | NA | NA | NA | NA | NA |
| Moderate | 0 | 0.0 | 0 | 0.0 | 16 | 32.0 | 21,281 | 37.9 |
| Middle | 0 | 0.0 | 0 | 0.0 | 23 | 46.0 | 26,656 | 47.4 |
| Upper | 0 | 0.0 | 0 | 0.0 | 11 | 22.0 | 8,285 | 14.7 |
| | | | | | HMDA Totals | | | |
| Low | NA | NA | NA | NA | NA | NA | NA | NA |
| Moderate | 0 | 0.0 | 0 | 0.0 | 1,468 | 17.0 | 216,633 | 13.3 |
| Middle | 1 | 50.0 | 79 | 21.1 | 4,145 | 47.9 | 754,250 | 46.4 |
| Upper | 1 | 50.0 | 295 | 78.9 | 3,037 | 35.1 | 653,524 | 40.3 |
| NA* | NA | NA | NA | NA | NA | NA | NA | NA |
| Total | 2 | 100.0 | 374 | 100.0 | 8,650 | 100.0 | 1,624,407 | 100.0 |

NA*-Tracts without household or family income as applicable

During 2021, home purchase loans were extended most frequently by the bank, and home purchase and refinance loans were extended most frequently by aggregate lenders in the assessment area. Within the assessment area, 17% of owner-occupied housing units and 40.3% of multifamily housing units are located in the moderate-income census tracts. Considering both demographic and aggregate proxies for demand, the bank's performance for home purchase lending is considered poor. The bank did not extend any refinance, home improvement, or multi-family loans within the assessment area during 2021; therefore, performance for these loan categories was not evaluated.

Overall, the bank's level of lending in moderate-income census tracts (0%) lagged the percentage of owner-occupied housing units located in moderate-income tracts (17%) and the aggregate level of lending in such tracts (17%). Overall, the bank's HMDA geographic distribution performance in 2021 is considered very poor.

During 2020, LB originated five loans totaling \$819,000 within the assessment area. Of these loans, one (20%) equaling \$420,000 was originated within a moderate-income census tract, exceeding the percentage of owner-occupied housing units (17%) in such tracts and the aggregate lending level (16.1%). As such, performance in 2020 is considered excellent.

On a combined basis, the bank’s HMDA geographic distribution performance during 2020 and 2021 is considered reasonable.

Distribution of Small Business Loans by Income Level of Census Tract

| Kingsport-Bristol, TN-VA (2021) | | | | | | | | |
|--|-------------|--------------|-----------------|--------------|------------------|--------------|-----------------|--------------|
| Income Categories | Bank | | | | Aggregate | | | |
| | # | % | \$(000s) | % \$ | # | % | \$(000s) | % \$ |
| Low | NA | NA | NA | NA | NA | NA | NA | NA |
| Moderate | 0 | 0.0 | 0 | 0.0 | 877 | 19.6 | 46,809 | 22.3 |
| Middle | 1 | 50.0 | 100 | 79.4 | 2,298 | 51.5 | 109,558 | 52.3 |
| Upper | 1 | 50.0 | 26 | 20.6 | 1,290 | 28.9 | 53,265 | 25.4 |
| NA* | NA | NA | NA | NA | NA | NA | NA | NA |
| Total | 2 | 100.0 | 126 | 100.0 | 4,465 | 100.0 | 209,632 | 100.0 |

**NA-Tracts without household or family income as applicable
 Loans where the geographic location is unknown are excluded from this table.*

The bank’s percentage of small business lending in moderate-income census tracts (0%) lagged the percentage of businesses located in such tracts (24.8%) and the aggregate lending level (19.6%). While based on small loan volume, LB’s small business geographic distribution performance is considered very poor.

CRA APPENDIX A
SCOPE OF EXAMINATION

| LIST OF ASSESSMENT AREAS AND TYPE OF EXAMINATION | | |
|---|----------------------------|-------------------------------------|
| ASSESSMENT AREA | TYPE OF EXAMINATION | BRANCHES VISITED¹ |
| Buchanan, VA NonMSA | Full-scope | None |
| Kingsport-Bristol, TN-VA | Full-scope | None |

¹ There is a statutory requirement that the written evaluation of a multistate institution's performance must list the individual branches examined in each state.

CRA APPENDIX B

Summary of State and Multistate MSA Ratings

| State or Multistate Metropolitan Area Name | Overall State Rating |
|---|-----------------------------|
| Virginia | Satisfactory |
| Kingsport-Bristol, TN-VA | Satisfactory |

CRA APPENDIX C

LOAN, BRANCH, AND DEPOSIT VOLUME BY ASSESSMENT AREA

The following table includes the distribution of branch offices, along with deposit and loan volume. The deposit volume includes all bank deposits and is current as of June 30, 2021, while the loan volume includes all HMDA and small business loans considered in the evaluation.

| Assessment Area | Loan Volume | | | | Branches | | Deposit Volume as of (6/30/2021) | |
|--------------------------|-------------|-------------|----------------|-------------|----------|-------------|----------------------------------|-------------|
| | # | % | \$ (000s) | % | # | % | \$ (000s) | % |
| Buchanan, VA NonMSA | 80 | 89.9% | \$8,373 | 86.4% | 5 | 83.3% | \$249,113 | 93% |
| Kingsport-Bristol, TN-VA | 9 | 10.1% | \$1,320 | 13.6% | 1 | 16.7% | \$18,682 | 7% |
| TOTAL | 89 | 100% | \$9,693 | 100% | 6 | 100% | \$267,795 | 100% |

CRA APPENDIX D
FULL-SCOPE REVIEW TABLES

Buchanan, VA NonMSA

Distribution of HMDA Loans by Income Level of Borrower

| Buchanan, VA NonMSA (2020) | | | | | | | | |
|----------------------------|--------------------|--------------|------------|--------------|--------------|--------------|----------------|--------------|
| Income Categories | Bank | | | | Aggregate | | | |
| | # | % | \$(000s) | % \$ | # | % | \$(000s) | % \$ |
| | HMDA Totals | | | | | | | |
| Low | 3 | 23.1 | 119 | 13.4 | 109 | 8.6 | 7,869 | 4.8 |
| Moderate | 0 | 0.0 | 0 | 0.0 | 289 | 22.8 | 28,006 | 17.1 |
| Middle | 4 | 30.8 | 144 | 16.2 | 338 | 26.6 | 39,397 | 24.0 |
| Upper | 6 | 46.1 | 628 | 70.4 | 534 | 42.0 | 88,959 | 54.1 |
| Total | 13 | 100.0 | 891 | 100.0 | 1,270 | 100.0 | 164,231 | 100.0 |
| Unknown | 2 | | 900 | | 255 | | 37,822 | |

Percentages (%) are calculated on all loans where incomes are known

Distribution of HMDA Loans by Income Level of Census Tract

| Buchanan, VA NonMSA (2020) | | | | | | | | |
|----------------------------|------------------------------|--------------|--------------|--------------|--------------|--------------|----------------|--------------|
| Income Categories | Bank | | | | Aggregate | | | |
| | # | % | \$(000s) | % \$ | # | % | \$(000s) | % \$ |
| | Home Purchase (772) | | | | | | | |
| Low | NA | NA | NA | NA | NA | NA | NA | NA |
| Moderate | 6 | 50.0 | 472 | 28.8 | 232 | 30.5 | 25,017 | 26.4 |
| Middle | 6 | 50.0 | 1,165 | 71.2 | 416 | 54.7 | 54,496 | 57.4 |
| Upper | 0 | 0.0 | 0 | 0.0 | 112 | 14.8 | 15,353 | 16.2 |
| | Refinance (641) | | | | | | | |
| Low | NA | NA | NA | NA | NA | NA | NA | NA |
| Moderate | 2 | 100.0 | 105 | 100.0 | 189 | 29.5 | 23,817 | 25.7 |
| Middle | 0 | 0.0 | 0 | 0.0 | 358 | 55.9 | 52,136 | 56.3 |
| Upper | 0 | 0.0 | 0 | 0.0 | 94 | 14.6 | 16,644 | 18.0 |
| | Home Improvement (47) | | | | | | | |
| Low | NA | NA | NA | NA | NA | NA | NA | NA |
| Moderate | 0 | 0.0 | 0 | 0.0 | 19 | 40.4 | 777 | 34.1 |
| Middle | 1 | 100.0 | 49 | 100.0 | 24 | 51.1 | 1,258 | 55.2 |
| Upper | 0 | 0.0 | 0 | 0.0 | 4 | 8.5 | 245 | 10.7 |
| | Multi-Family (7) | | | | | | | |
| Low | NA | NA | NA | NA | NA | NA | NA | NA |
| Moderate | 0 | 0.0 | 0 | 0.0 | 4 | 57.1 | 1,060 | 36.6 |
| Middle | 0 | 0.0 | 0 | 0.0 | 3 | 42.9 | 1,837 | 63.4 |
| Upper | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| | HMDA Totals | | | | | | | |
| Low | NA | NA | NA | NA | NA | NA | NA | NA |
| Moderate | 8 | 53.3 | 577 | 32.2 | 444 | 30.5 | 50,671 | 26.3 |
| Middle | 7 | 46.7 | 1,214 | 67.8 | 801 | 55.1 | 109,727 | 57.0 |
| Upper | 0 | 0.0 | 0 | 0.0 | 210 | 14.4 | 32,242 | 16.7 |
| NA* | NA | NA | NA | NA | NA | NA | NA | NA |
| Total | 15 | 100.0 | 1,791 | 100.0 | 1,455 | 100.0 | 192,640 | 100.0 |

NA*-Tracts without household or family income as applicable

Kingsport-Bristol, TN-VA

Distribution of HMDA Loans by Income Level of Borrower

| Kingsport-Bristol, TN-VA (2020) | | | | | | | | |
|---------------------------------|----------|--------------|------------|--------------|--------------|--------------|------------------|--------------|
| Income Categories | Bank | | | | Aggregate | | | |
| | # | % | \$(000s) | % \$ | # | % | \$(000s) | % \$ |
| HMDA Totals | | | | | | | | |
| Low | 0 | 0.0 | 0 | 0.0 | 470 | 6.9 | 38,691 | 3.3 |
| Moderate | 0 | 0.0 | 0 | 0.0 | 1,343 | 19.8 | 153,934 | 13.2 |
| Middle | 2 | 50.0 | 104 | 26.1 | 1,682 | 24.9 | 245,065 | 21.0 |
| Upper | 2 | 50.0 | 295 | 73.9 | 3,271 | 48.4 | 730,236 | 62.5 |
| Total | 4 | 100.0 | 399 | 100.0 | 6,766 | 100.0 | 1,167,926 | 100.0 |
| <i>Unknown</i> | <i>1</i> | | <i>420</i> | | <i>1,171</i> | | <i>306,853</i> | |

Percentages (%) are calculated on all loans where incomes are known

Distribution of HMDA Loans by Income Level of Census Tract

| Kingsport-Bristol, TN-VA (2020) | | | | | | | | |
|---------------------------------|-----------|--------------|------------|--------------|--------------|--------------|------------------|--------------|
| Income Categories | Bank | | | | Aggregate | | | |
| | # | % | \$(000s) | % \$ | # | % | \$(000s) | % \$ |
| Home Purchase (4) | | | | | | | | |
| Low | NA | NA | NA | NA | NA | NA | NA | NA |
| Moderate | 0 | 0.0 | 0 | 0.0 | 770 | 19.5 | 96,136 | 13.8 |
| Middle | 2 | 50.0 | 104 | 26.1 | 1,865 | 47.3 | 318,761 | 45.6 |
| Upper | 2 | 50.0 | 295 | 73.9 | 1,304 | 33.2 | 283,549 | 40.6 |
| Refinance (0) | | | | | | | | |
| Low | NA | NA | NA | NA | NA | NA | NA | NA |
| Moderate | 0 | 0.0 | 0 | 0.0 | 426 | 11.7 | 54,398 | 8.3 |
| Middle | 0 | 0.0 | 0 | 0.0 | 1,747 | 47.8 | 300,582 | 45.9 |
| Upper | 0 | 0.0 | 0 | 0.0 | 1,478 | 40.5 | 300,057 | 45.8 |
| Home Improvement (0) | | | | | | | | |
| Low | NA | NA | NA | NA | NA | NA | NA | NA |
| Moderate | 0 | 0.0 | 0 | 0.0 | 65 | 21.2 | 4,371 | 19.2 |
| Middle | 0 | 0.0 | 0 | 0.0 | 143 | 46.6 | 10,046 | 44.2 |
| Upper | 0 | 0.0 | 0 | 0.0 | 99 | 32.2 | 8,323 | 36.6 |
| Multi-Family (1) | | | | | | | | |
| Low | NA | NA | NA | NA | NA | NA | NA | NA |
| Moderate | 1 | 100.0 | 420 | 100.0 | 15 | 37.5 | 48,005 | 48.7 |
| Middle | 0 | 0.0 | 0 | 0.0 | 14 | 35.0 | 44,869 | 45.5 |
| Upper | 0 | 0.0 | 0 | 0.0 | 11 | 27.5 | 5,682 | 5.8 |
| HMDA Totals | | | | | | | | |
| Low | NA | NA | NA | NA | NA | NA | NA | NA |
| Moderate | 1 | 20.0 | 420 | 51.3 | 1,276 | 16.1 | 202,910 | 13.8 |
| Middle | 2 | 40.0 | 104 | 12.7 | 3,769 | 47.5 | 674,258 | 45.7 |
| Upper | 2 | 40.0 | 295 | 36.0 | 2,892 | 36.4 | 597,611 | 40.5 |
| <i>NA*</i> | <i>NA</i> | <i>NA</i> | <i>NA</i> | <i>NA</i> | <i>NA</i> | <i>NA</i> | <i>NA</i> | <i>NA</i> |
| Total | 5 | 100.0 | 819 | 100.0 | 7,937 | 100.0 | 1,474,779 | 100.0 |

NA-Tracts without household or family income as applicable*

CRA APPENDIX E

GLOSSARY

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

Census tract: 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 statistical areas. Census tracts usually have between 2,500 and 8,000 persons, and 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: All Agencies have adopted the following language. 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 the size eligibility standards of the Small Business Administration's Development Company or Small Business Investment Company programs (13 CFR 121.301) or have gross annual revenues of \$1 million or less; or, activities that revitalize or stabilize low- or moderate-income geographies.

Effective September 1, 2005, the Board of Governors of the Federal Reserve System, Office of the Comptroller of the Currency, and the Federal Deposit Insurance Corporation have adopted the following additional language as part of the revitalize or stabilize definition of community development. Activities that revitalize or stabilize-

- (i) Low-or moderate-income geographies;
- (ii) Designated disaster areas; or
- (iii) Distressed or underserved nonmetropolitan middle-income geographies designated by the Board, Federal Deposit Insurance Corporation, and Office of the Comptroller of the Currency, based on-
 - (A) Rates of poverty, unemployment, and population loss; or
 - (B) Population size, density, and dispersion. Activities that revitalize and stabilize geographies designated based on population size, density, and dispersion if they help to meet essential community needs, including needs of low- and moderate-income individuals.

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-scope review: Performance under the Lending Test (and if applicable, consideration of investments and services) is analyzed considering performance context, quantitative factors (for example, geographic distribution, borrower distribution, and total number and dollar amount of investments), and qualitative factors (for example, innovativeness, complexity, and responsiveness).

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

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

Home mortgage loans: Includes home purchase and home improvement loans as defined in the HMDA regulation. This definition also includes multifamily (five or more families) dwelling loans, loans for the purchase of manufactured homes and refinancings of home improvement and home purchase loans.

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 Test (and if applicable, consideration of investments and services) is analyzed using only quantitative factors (for example, 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 metropolitan area/assessment area.

Metropolitan area (MA): A metropolitan statistical area (MSA) or a metropolitan division (MD) as defined by the Office of Management and Budget. A MSA is a core area containing at least one urbanized area of 50,000 or more inhabitants, together with adjacent communities having a high degree of economic and social integration with that core. A MD is a division of a MSA based on specific criteria including commuting patterns. Only a MSA that has a population of at least 2.5 million may be divided into MDs.

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 community development.

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

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) and the Thrift Financial Reporting (TFR) 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. However, thrift institutions may also exercise the option to report loans secured by nonfarm residential real estate as "small business loans" if the loans are reported on the TFR as nonmortgage, commercial 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.

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