



**LARGE BANK**

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Comptroller of the Currency  
Administrator of National Banks

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Washington, DC 20219

## **PUBLIC DISCLOSURE**

August 3, 2009

### **COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION**

First National Bank South Dakota  
Charter Number: 22764

332 Broadway  
Yankton, South Dakota 57078-0670

Office of the Comptroller of the Currency

Midsized Bank Supervision  
440 South LaSalle Street, Suite 2700  
Chicago, Illinois 60605-1073

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

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## Overall CRA Rating

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

The following table indicates the performance level of the First National Bank South Dakota (FNB) with respect to the Lending, Investment, and Service Tests:

Performance Levels	First National Bank South Dakota Performance Tests		
	Lending Test*	Investment Test	Service Test
Outstanding			X
High Satisfactory	X	X	
Low Satisfactory			
Needs to Improve			
Substantial Noncompliance			

\* The Lending Test is weighted more heavily than the Investment and Service Tests when arriving at an overall rating.

The major factors that support this rating include:

- Lending activity reflected excellent responsiveness by FNB to address the credit needs in the Yankton assessment area. FNB is a leader in agricultural lending.
- The bank’s distribution of loans to borrowers of different income levels was good.
- FNB provided an adequate level of community development loans.
- The level of qualified investments benefiting the Yankton assessment area was good.
- Retail banking services were accessible to individuals of different income levels.
- FNB was a leader in providing community development services that were responsive to assessment area needs.

## Definitions and Common Abbreviations

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

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

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

**Census Tract (CT):** A small subdivision of metropolitan and other densely populated counties. Census tract boundaries do not cross county lines; however, they may cross the boundaries of metropolitan areas. Census tracts 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:** 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.

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

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

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

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

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

**Home Mortgage Disclosure Act (HMDA):** The statute that requires certain mortgage lenders that 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 (e.g., approved, denied, and withdrawn). Beginning in 2004, the reports also include additional data on loan pricing, the lien status of the collateral, any requests for preapproval and loans for manufactured housing.

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

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

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

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

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

**Median Family Income (MFI):** The median income determined by the U.S. Census Bureau every ten years and used to determine the income level category of geographies. Also, the median income determined by the Department of Housing and Urban Development annually that is used to determine the income level category of individuals. For any given area, the median is the point at which half of the families have income above it and half below it.

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

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

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

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

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

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

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

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

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

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

**Small Loan(s) to Business(es):** A loan included in 'loans to small businesses' as defined in the Consolidated Report of Condition and Income (Call Report) 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.

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

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

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

## Description of Institution

First National Bank South Dakota (FNB) is a full-service financial institution headquartered in Yankton, South Dakota. FNB is an intrastate bank with five banking offices, including the main office in Yankton and branch offices in Huron, Mitchell, Sioux Falls, and Woonsocket.

FNB is a subsidiary of First National of Nebraska, Inc. (FNNI), a \$16 billion multibank holding company located in Omaha, Nebraska. In addition to FNB, FNNI owns eight national banks and one state-chartered bank located primarily in Nebraska and adjacent states in the Midwest. The bank has no subsidiaries, and the activities of other affiliated organizations did not impact FNB's CRA evaluation.

FNB offers a full range of credit products including real estate, agricultural, commercial, and consumer loans. The bank has six automated teller machines (ATMs) and five cash dispensing machines are disbursed throughout the assessment area. The bank is an intermediate small bank that opted to be examined as a large bank for CRA.

As of June 30, 2009, FNB had \$463 million in total assets and Tier 1 Capital of \$36 million. The bank's loan-to-deposit ratio was 96 percent and net loans represented 78 percent of total assets. By dollar amount, the loan portfolio consisted of the following types of credit: 41 percent commercial (including commercial real estate), 32 percent agricultural (including agricultural real estate), 27 percent consumer, and 6 percent residential real estate. A large portion of the consumer portfolio includes credit card participations purchased from an affiliate institution.

There are no legal, financial, or other factors impeding the bank's ability to help meet the credit needs in its assessment areas. FNB received an "Outstanding" rating at its prior CRA examination dated July 25, 2005.

## Scope of the Evaluation

### Evaluation Period/Products Evaluated

The evaluation period for home mortgage loans, small loans to businesses, and small loans to farms was January 1, 2005 to December 31, 2008. We based market comparisons on 2007 peer data, which was the most recently available data at the time of this evaluation. For community development loans, the Investment Test, and the Service Test, the evaluation period was January 1, 2005 to August 3, 2009.

We did not include multifamily lending in our analysis as FNB's loan volume of this product was insignificant. As of December 31, 2008, multifamily mortgage loans represented less than one percent of the bank's total loans.

Credit card participations comprised a large portion of the bank's loan portfolio; however, we did not include these loans in the borrower and geographic loan distribution analysis. The participations represented a loan product offered nationwide by an affiliate bank. As a result, the vast majority of the credit card borrowers were located outside the FNB assessment areas. When analyzing lending activity, we considered whether the bank adequately met the needs of the borrowers in the assessment areas prior to acquiring the credit card participations.

### Data Integrity

As part of the CRA evaluation, we tested the accuracy of the bank's 2005 – 2007 publicly filed data on small loans to businesses and farms. The bank was required to start reporting HMDA data in 2007 and this information was verified. We also tested the 2005 and 2006 HMDA data in which the bank voluntarily collected, but did not report. Our review found that the data was substantially accurate for the purposes of our CRA analysis. We did not review 2008 data as there were no significant changes in the bank's policies and procedures for the collection and reporting of the CRA and HMDA data.

We also reviewed information on all community development activities, including loans, investments, and services. Only those activities that met the regulatory definition for community development were presented and considered in this evaluation.

### Selection of Areas for Full-Scope Review

The bank had two assessment areas at this examination. We performed a full-scope review of the Yankton assessment area for all four years of the evaluation period. In 2006, FNB opened a branch in Sioux Falls, creating a second assessment area for the bank. A limited-scope review was completed for this assessment area. Refer to Appendix A for further information.

### Ratings

The bank's overall rating was based primarily on the assessment area that received a full-scope review.

When determining conclusions for the lending test, we weighted loan products to be reflective of FNB's loan volume by product type over the evaluation period. We weighted small loans to farms most heavily in our analysis of the Yankton assessment area because they represented 63 percent of the total number of loans originated by FNB during the evaluation period. Small loans to businesses were the next largest loan volume product and accounted for 26 percent of total reported loans. Home mortgage loans, including home purchase, home mortgage refinance, and home improvement loans, accounted for 11 percent of reported loans.

In the Sioux Falls assessment area, small loans to businesses were the largest volume loan type and accounted for 74 percent of the loans. Small loans to farms accounted for 14 percent of the loans, and home mortgage loans accounted for 12 percent of total reported loans.

## **Other**

We performed one community contact during the examination. The organization contacted was an affordable housing provider. We also reviewed a community contact which was recently completed for another bank in the area. This contact's organization focused on loan and grant programs for economic activities in rural communities.

The contacts stated the primary needs in the assessment area related to affordable housing and economic development. The contacts noted that there were several opportunities for banks in the local community to help meet these needs. We considered these needs in our evaluation of the bank's performance under the Lending, Investment, and Service Tests.

## **Fair Lending or Other Illegal Credit Practices Review**

We did not find any evidence of discriminatory or other illegal credit practices inconsistent with helping to meet community credit needs.

## Conclusions with Respect to Performance Tests

### LENDING TEST

#### Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the lending test is rated "High Satisfactory". Based on the full-scope review, the bank's performance in the Yankton assessment area is good.

#### Lending Activity

Refer to Table 1 in Appendix C for the facts and data used to evaluate the bank's lending activity.

FNB's lending activity was excellent in the Yankton assessment area. The bank's volume of small loans to farms was the primary factor in supporting this conclusion.

To analyze the lending activity of FNB, we compared the bank's deposit market share with its lending market share for each loan product. In comparing market share percentages, we considered the fact that the deposit market share analysis only included deposit-taking financial institutions with one or more offices in the assessment area. However, the lending market share calculations included lenders who did not have a deposit-taking facility in the assessment area, as well as some non-bank lenders. We did not expect FNB's deposit share and lending market share percentages to be equal in order for performance to be considered good.

Based on FDIC deposit market share data as of June 30, 2008, there were 24 deposit-taking institutions with 56 offices in the Yankton assessment area. FNB was the second largest institution with an 18.5 percent market share. The following provides the bank's rank and market share by loan product type:

- There were 16 lenders reporting one or more small farm loans in the assessment area in 2007. FNB ranked first among these lenders with a 52 percent market share.
- There were 25 lenders reporting one or more small business loans in the assessment area in 2007. FNB ranked fifth among these lenders with a nine percent market share.
- There were 80 lenders reporting one or more home purchase loans in the assessment area in 2007. FNB ranked ninth among these lenders with a three percent market share.
- There were 30 lenders reporting one or more home improvement loans in the assessment area in 2007. FNB ranked first among these lenders with a 19 percent market share.
- There were 99 lenders reporting one or more home mortgage refinance loans in the assessment area in 2007. FNB ranked eleventh among these lenders with a two percent market share.

FNB addressed local credit needs before purchasing credit card participations from an affiliate bank. The bank's holding company required all subsidiary banks to meet their CRA obligations prior to purchasing the credit card participations. As of December 31, 2008, the bank's credit card participations purchased totaled \$50 million.

### **Distribution of Loans by Income Level of the Geography**

A geographical analysis of was not meaningful as the Yankton assessment did not include any low- or moderate-income census tracts.

### ***Lending Gap Analysis***

A lending gap analysis showed no conspicuous gaps in the bank's lending. During the evaluation period, FNB originated at least one home mortgage, small business, or small farm loan in each census tract in the Yankton assessment area.

### ***Inside/Outside Ratio***

A majority of the bank's reported loans were within its assessment areas. During the evaluation period, FNB originated and purchased 4,312 loans (55 percent) totaling \$355 million (71 percent) within the assessment areas. This analysis was performed at the bank level instead of the assessment area level.

### **Distribution of Loans by Income Level of the Borrower**

#### ***Home Mortgage Loans***

Refer to Tables 8, 9, and 10 in Appendix C for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

The distribution of FNB's home purchase and home improvement loans by borrower income level throughout the Yankton assessment area was excellent. For both loan products, the bank's percentage of loans to moderate-income borrowers exceeded the percentage of families in the assessment area that were moderate-income. For home improvement loans, FNB's percentage of loans to low-income borrowers also exceeded the percentage of families in the assessment area that were low-income. However, the percentage of home purchase loans to low-income borrowers was below the proportion of families in the assessment area that were low-income. This is mitigated by the fact that eight percent of families in the assessment area are below poverty levels and would have difficulty qualifying for a residential mortgage loan due to their limited income. FNB's market share of home purchase and home improvement loans to low- and moderate-income borrowers exceeded the bank's overall market share for these products.

The bank achieved a good distribution of home mortgage refinance loans to borrowers of different income levels throughout the Yankton assessment area. FNB's percentage of home mortgage refinance loans to moderate-income borrowers was equal to the percentage of moderate-income families in the assessment area. The percentage of the bank's refinance loans to low-income borrowers was below the percentage of families in the Yankton assessment area that were low-income. Market share performance for home mortgage

refinance loans to low- or moderate-income borrowers was lower than the bank's overall market share performance for home refinance loans.

### ***Small Loans to Businesses***

Refer to Table 11 in Appendix C for the facts and data used to evaluate the borrower distribution of the bank's origination/purchase of small loans to businesses.

The bank's distribution of small loans to businesses in the Yankton assessment area was excellent. FNB's percentage of reported loans to businesses with gross annual revenues of \$1 million or less was significantly greater than the percentage of businesses in the assessment area with revenues of \$1 million or less. Market share performance was also strong, with the bank's percentage of loans to businesses with revenues of \$1 million or less exceeding its overall market share of small loans to businesses.

FNB also originated a majority of its reported loans to businesses in amounts of \$100 thousand or less. Loan size often loosely correlates to the size of the business.

### ***Small Loans to Farms***

Refer to Table 12 in the Appendix C for the facts and data used to evaluate the borrower distribution of the bank's origination/purchase of small loans to farms.

FNB's distribution of small loans to farms with different revenues in the Yankton assessment area was adequate. The bank's percentage of reported loans to farms with gross annual revenues of \$1 million or less was near to the percentage of farms in the assessment area with revenues of \$1 million or less. Performance was stronger when looking at market share. FNB's market share of loans to farms with revenues of \$1 million or less exceeded its overall market share of small loans to farms.

The bank also originated a majority of its reported loans to farms in the amounts of \$100 thousand or less during the evaluation period. Loan size often loosely correlates to the size of the farm.

### **Community Development Lending**

Refer to Table 1 Lending Volume in Appendix C for the facts and data used to evaluate the bank's level of community development lending. This table includes all community development loans, including multifamily loans that also qualify as community development loans. In addition, Table 5 includes geographic lending data on all multi-family loans, including those that also qualify as community loans. Table 5 does not separately list community development loans, however.

Community development lending was adequate and had a neutral impact on Lending Test conclusions. FNB originated nine community development loans totaling \$690 thousand in the Yankton assessment area. The bank also made 16 community development loans totaling \$1.9 million that benefited two Native American tribes located directly adjacent to the Yankton assessment area. Combined, this dollar volume represented 6.8 percent of Tier 1 Capital. The following summarizes some of the bank's qualified community development loans:

- Nearly \$340 thousand to various non-profit organizations providing affordable housing to low- and moderate-income individuals throughout the Yankton assessment area.
- \$300 thousand to provide funding for facility improvements at local schools located in underserved and distressed geographies in the assessment area.
- \$1.9 million benefiting two Native American tribes located in moderate-income census tracts directly adjacent to the bank's assessment area. Loan proceeds benefited the assessment area as Yankton is the closest and largest city in the area for the tribal members to purchase goods and services. Loan proceeds provided clothing, heating, and business development opportunities for the tribal members.

### **Product Innovation and Flexibility**

During the evaluation period, FNB participated in several flexible loan programs to help meet the credit needs of low- and moderate-income borrowers in the assessment area. This participation positively impacted the bank's Lending Test rating.

The bank actively used federal government housing loan programs with reduced down payment requirements, lower interest rates, and expanded underwriting criteria to assist low- and moderate-income homebuyers. During the evaluation period, FNB originated 11 loans totaling \$1.5 million under the Federal Housing Authority (FHA) loan program and four loans totaling \$740 thousand under the Veteran's Administration (VA) loan program. The bank also originated 10 Rural Housing Development Conventional loans totaling \$946 thousand.

FNB also used state government housing loan programs to meet the credit needs of low- and moderate-income borrowers. The South Dakota Housing Development Authority (SDHDA) was an affordable housing program that provided financing and closing cost assistance for qualified first-time homebuyers who are primarily low- or moderate-income borrowers. During the evaluation period, FNB originated 109 SDHDA loans totaling \$8.3 million, which is comprised of Rural Development, Conventional, FHA, and VA loans under this program.

FNB participated in the SDHDA's Cooperative Home Improvement Program (CHIP). This program offered low-interest loans to low- and moderate-income homeowners for home improvement or repair. CHIP requires no closing costs and no home equity. FNB originated 45 CHIP loans totaling \$426 thousand during the evaluation period.

### **Conclusions for Areas Receiving Limited-Scope Reviews**

Based on the limited-scope review, the bank's performance under the Lending Test in the Sioux Falls assessment area is not inconsistent with the bank's overall "High Satisfactory" performance under the Lending Test. Refer to Tables 1 through 12 in Appendix C for the facts and data that support these conclusions.

## **INVESTMENT TEST**

### **Conclusions for Areas Receiving Full-Scope Reviews**

The bank's performance under the Investment Test is rated "High Satisfactory". Based on the full-scope review of the Yankton assessment area, the bank's performance is good.

Refer to Table 14 in Appendix C for the facts and data used to evaluate the bank's level of qualified investments.

During the evaluation period, FNB had \$335 thousand in qualified investments directly benefiting the assessment area and \$135 thousand in statewide investments that had the potential to benefit all of the bank's assessment areas. Additionally, the bank had one \$85 thousand investment outside of the bank's assessment areas which received positive consideration during the evaluation. The bank also had over \$1 million in prior period investments still outstanding as of this evaluation. Qualified investments comprise 4.2 percent of Tier One Capital. The opportunity for investments in the assessment area was low and the bank's investments were responsive to community needs.

Current period investments consisted of donations to several organizations that provide affordable housing, promote economic development, and provide community services throughout the assessment area. Organizations receiving donations or investments included, but are not limited to, local area Chambers of Commerce, community development corporations, local chapters of the United Way, and Habitat for Humanity. FNB also participated in a \$100 thousand infrastructure bond for the City of Huron, which is located in a distressed county.

Prior period investments consisted of a \$685 thousand investment in a community development corporation subsidiary of FNB's holding company, a \$250 thousand investment in an equity fund that promotes affordable housing and economic development on a regional basis that includes the bank's assessment area, and a \$100 thousand investment in a community development financial institution (CDFI) revolving loan fund. Prior period investments continue to have a positive impact on the bank's assessment area.

### **Conclusions for Area Receiving Limited-Scope Reviews**

Based on the limited-scope review, the bank's performance under the Investment Test in the Sioux Falls assessment area is not inconsistent with the bank's overall "High Satisfactory" performance under the Investment Test. Refer to Table 14 in appendix C for the facts and data that support these conclusions.

## **SERVICE TEST**

### **Conclusions for Areas Receiving Full-Scope Reviews**

The bank's performance under the Service Test is rated "Outstanding". This is based on FNB's excellent performance in the Yankton assessment area, which received a full-scope review.

#### **Retail Banking Services**

Refer to Table 15 in Appendix C for the facts and data used to evaluate the distribution of the bank's branch delivery system and branch openings and closings.

FNB's service delivery systems were accessible to geographies and individuals of different income levels in the Yankton assessment area. Three of the bank's four branches and nine of the bank's 10 ATMs were located in middle-income census tracts, with the remaining branch and ATM located in an upper-income census tract. There were no low- or moderate-income census tracts located in the Yankton assessment area. Two of the bank's branches were located in underserved and/or distressed middle-income geographies.

FNB's record of opening and closing branches or ATMs did not adversely affect the accessibility of its delivery systems to low- or moderate-income individuals in the Yankton assessment area. During the evaluation period, the bank closed an in-store branch located in the Mitchell. The closure of this location did not significantly impact low- or moderate-income customers since there was another branch in Mitchell and all of Mitchell was designated as middle-income.

The bank's hours and services offered throughout the Yankton assessment area were good. Hours and services did not vary in a way that inconvenienced low- or moderate-income individuals in the assessment area. Office hours varied slightly among locations based on customer needs. The Mitchell grocery store branch did not have lending staff, but lenders were available at the other Mitchell location.

FNB offered good alternative systems for delivering retail banking services to low- and moderate-income individuals and geographies. These alternative systems included the bank's ATM network, 24-hour telephone banking, Internet banking services, and banking by mail. No information was available regarding the effectiveness of these services in reaching low- and moderate-income individuals or geographies. We did not place significant weight on these systems when drawing conclusions under the Service Test.

#### **Community Development Services**

FNB is a leader in providing community development services. In total, 44 bank officers and employees provided qualified services to 48 organizations serving the Yankton assessment area. These organizations addressed assessment area needs for affordable housing, economic development, and social services to low- or moderate-income individuals. Bank employees served in leadership positions in many of these organizations, including executive officers, board members, and loan committee members. In these roles, they provided key

financial services, such as planning, budgeting, fund raising, and loan review. The following examples illustrate some of the services provided:

- Several employees were involved with local area Chambers of Commerce, which promoted small business development. Employees served on the Board of Directors and the Agri-Business Committee.
- Seven bank employees and officers were Board members or selection committee members for the local chapters of Habitat for Humanity, which provided affordable housing to low- and moderate-income individuals throughout the assessment area.
- Two FNB employees lent their financial expertise by serving as Board members for the Mitchell Salvation Army.

During the evaluation period, the bank also conducted 11 seminars for small business owners and farmers, first time homebuyers, and low-or moderate-income individuals. These seminars covered budgeting and financial matters. The bank also conducted identity theft presentations.

### **Conclusions for Areas Receiving Limited-Scope Reviews**

Based on the limited-scope review, the bank's performance under the Service Test in the Sioux Falls assessment area is not inconsistent with the bank's overall "Outstanding" performance under the Service Test. Refer to Table 15 in Appendix C for the facts and data that support these conclusions.

## Appendix A: Scope of Examination

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

<b>Time Period Reviewed</b>	Lending Test (excludes CD Loans): (1/1/2005 to 12/31/2008) Investment and Service Tests and CD Loans: (1/1/2005 to 8/3/2009)	
<b>Financial Institution</b>	<b>Products Reviewed</b>	
First National Bank South Dakota (FNB) Yankton, South Dakota	Home Mortgage Loans; Small Loans to Businesses and Farms; Community Development Loans, Investments, and Services; Retail Banking Services	
<b>Affiliate(s)</b>	<b>Affiliate Relationship</b>	<b>Products Reviewed</b>
First National of Nebraska, Inc. First National Bank of Omaha	Holding Company Sister Bank	Community Development Investments Community Development Investments
<b>List of Assessment Areas and Type of Examination</b>		
<b>Assessment Area (AA)</b>	<b>Type of Exam</b>	<b>Other Information</b>
Yankton AA (2005-2009)	Full-Scope	Non-metropolitan area consisting of the following counties in South Dakota: Beadle, Bon Homme, Clay, Davison, Hutchinson, Sanborn, and Yankton
Sioux Falls AA (2006-2009)	Limited-Scope	Metropolitan statistical area #43620 consisting of the following counties in South Dakota: portion of Minnehaha and portion of Lincoln

## Appendix B: Market Profiles for Full-Scope Areas

### Yankton Assessment Area

Demographic Information for Full Scope Area: Yankton Assessment Area						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	23	0%	0%	91%	9%	0%
Population by Geography	88,963	0%	0%	89%	11%	0%
Owner-Occupied Housing by Geography	23,203	0%	0%	89%	11%	0%
Business by Geography	8,115	0%	0%	92%	8%	0%
Farms by Geography	1,595	0%	0%	97%	3%	0%
Family Distribution by Income Level	22,238	17%	18%	24%	41%	0%
Distribution of Low and Moderate Income Families throughout AA Geographies	7,714	0%	0%	91%	9%	0%
Median Family Income HUD Adjusted Median Family Income for 2008 Households Below Poverty Level		39,438 51,600 14%		Median Housing Value Unemployment Rate**	64,591 5.1%	

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

(\*\*)Bureau of Labor Statistics as of June 2009

Source: 1990 U.S. Census, and 2008 HUD updated MFI.

The Yankton assessment area consisted of seven counties in southeast South Dakota: Beadle, Bon Homme, Clay, Hutchinson, Davison, Sanborn, and Yankton. The assessment area complied with regulatory requirements and did not arbitrarily exclude any low- or moderate-income areas. The bank's main office located in Yankton; three branches in Huron, Mitchell, and Woonsocket; and 10 ATMs (five were full service and accept deposits) were within the Yankton assessment area. During the evaluation period, Beadle county (including the city of Huron) was designated as a distressed geography, Hutchinson county was designated as an underserved geography, and Sanborn county (including the city of Woonsocket) was designated as a distressed and underserved geography.

The bank's deposits in the Yankton assessment area totaled approximately \$352 million as of June 30, 2008. This comprised 97 percent of the bank's total deposits. Based on FDIC deposit market share as of that date, this equated to an 18 percent deposit market share and ranked FNB as the second largest deposit-taking financial institution in the assessment area.

Competition among financial institutions in the assessment area was strong. Over 24 deposit-taking financial institutions operated 56 offices in FNB's Yankton assessment area as of June 30, 2008. Major competitors included First Dakota National Bank, CorTrust Bank, N.A., and

Wells Fargo Bank, N.A. Credit unions, finance companies, and mortgage companies also competed for loan production throughout the assessment area.

Local economic conditions were good, especially given the national economic turmoil. The state of South Dakota unemployment rate as of June 2009 was 5.1 percent. This compared favorably to the national unemployment rate of 9.4% as of July 2009. Agriculture production and related industries remained a dominant influence on the economy. Other major employers included the school systems, hospitals and medical clinics, and manufacturing facilities.

## Appendix C: Tables of Performance Data

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### Content of Standardized Tables

References to the “bank” include activities of any affiliates that the bank provided for consideration (refer to Appendix A: Scope of the Examination). For purposes of reviewing the lending test tables, the following are applicable: (1) purchased loans are treated as originations/purchases and market share is the number of loans originated and purchased by the bank as a percentage of the aggregate number of reportable loans originated and purchased by all lenders in the MA/assessment area; (2) Partially geocoded loans (loans where no census tract is provided) cannot be broken down by income geographies and, therefore, are only reflected in the Total Loans in Core Tables 2 through 7 and part of Table 13; and (3) Partially geocoded loans are included in the Total Loans and % Bank Loans Column in Core Tables 8 through 12 and part of Table 13. Tables without data are not included in this PE.

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

- Table 1. Lending Volume** - Presents the number and dollar amount of reportable loans originated and purchased by the bank over the evaluation period by MA/assessment area. Community development loans to statewide or regional entities or made outside the bank’s assessment area may receive positive CRA consideration. See Interagency Q&As \_\_.12 (i) - 5 and - 6 for guidance on when a bank may receive positive CRA consideration for such loans.
- Table 1. Other Products** - Presents the number and dollar amount of any unreported category of loans originated and purchased by the bank over the evaluation period by MA/assessment area. Examples include consumer loans or other data that a bank may provide, at its option, concerning its lending performance. This is a two-page table that lists specific categories.
- Table 2. Geographic Distribution of Home Purchase Loans** - Compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of owner-occupied housing units throughout those geographies. The table also presents market share information based on the most recent aggregate market data available.
- Table 3. Geographic Distribution of Home Improvement Loans** - See Table 2.
- Table 4. Geographic Distribution of Home Mortgage Refinance Loans** - See Table 2.
- Table 5. Geographic Distribution of Multifamily Loans** - Compares the percentage distribution of the number of multifamily loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of multifamily housing units throughout those geographies. The table

also presents market share information based on the most recent aggregate market data available.

- Table 6. Geographic Distribution of Small Loans to Businesses** - The percentage distribution of the number of small loans (less than or equal to \$1 million) to businesses originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of businesses (regardless of revenue size) throughout those geographies. The table also presents market share information based on the most recent aggregate market data available. Because small business data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank's assessment area.
- Table 7. Geographic Distribution of Small Loans to Farms** - The percentage distribution of the number of small loans (less than or equal to \$500,000) to farms originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of farms (regardless of revenue size) throughout those geographies. The table also presents market share information based on the most recent aggregate market data available. Because small farm data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank's assessment area.
- Table 8. Borrower Distribution of Home Purchase Loans** - Compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage distribution of families by income level in each MA/assessment area. The table also presents market share information based on the most recent aggregate market data available.
- Table 9. Borrower Distribution of Home Improvement Loans** - See Table 8.
- Table 10. Borrower Distribution of Refinance Loans** - See Table 8.
- Table 11. Borrower Distribution of Small Loans to Businesses** - Compares the percentage distribution of the number of small loans (less than or equal to \$1 million) originated and purchased by the bank to businesses with revenues of \$1 million or less to the percentage distribution of businesses with revenues of \$1 million or less. In addition, the table presents the percentage distribution of the number of loans originated and purchased by the bank by loan size, regardless of the revenue size of the business. Market share information is presented based on the most recent aggregate market data available.
- Table 12. Borrower Distribution of Small Loans to Farms** - Compares the percentage distribution of the number of small loans (less than or equal to \$500,000) originated and purchased by the bank to farms with revenues of \$1 million or less to the percentage distribution of farms with revenues of \$1 million or less. In addition, the table presents the percentage distribution of the number of loans originated and purchased by the bank by loan size, regardless of the revenue size of the farm.

Market share information is presented based on the most recent aggregate market data available.

**Table 13. Geographic and Borrower Distribution of Consumer Loans (OPTIONAL)** - For geographic distribution, the table compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of households within each geography. For borrower distribution, the table compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage of households by income level in each MA/assessment area.

**Table 14. Qualified Investments** - Presents the number and dollar amount of qualified investments made by the bank in each MA/AA. The table separately presents investments made during prior evaluation periods that are still outstanding and investments made during the current evaluation period. Prior-period investments are reflected at their book value as of the end of the evaluation period. Current period investments are reflected at their original investment amount even if that amount is greater than the current book value of the investment. The table also presents the number and dollar amount of unfunded qualified investment commitments. In order to be included, an unfunded commitment must be legally binding and tracked and recorded by the bank's financial reporting system.

A bank may receive positive consideration for qualified investments in statewide/regional entities or made outside of the bank's assessment area. See Interagency Q&As \_\_.12 (i) - 5 and - 6 for guidance on when a bank may receive positive CRA consideration for such investments.

**Table 15. Distribution of Branch Delivery System and Branch Openings/Closings** - Compares the percentage distribution of the number of the bank's branches in low-, moderate-, middle-, and upper-income geographies to the percentage of the population within each geography in each MA/AA. The table also presents data on branch openings and closings in each MA/AA.

Table 1. Lending Volume

LENDING VOLUME JANUARY 1, 2005 TO DECEMBER 31, 2008												Evaluation Period:	
MA/Assessment Area (2008):	% of Rated Area Loans (#) in MA/AA	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans **		Total Reported Loans		% of Rated Area Deposits in MA/AA ***	
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$(000's)		
<b>Full Review:</b>													
2005-2008 Yankton AA	95%	454	33,927	1,066	107,149	2,576	177,919	9	690	4,105	319,685	97%	
<b>Limited Review:</b>													
2006-2008 Sioux Falls AA	5%	25	3,374	159	30,479	32	1,807	1	600	217	36,260	3%	
<b>Outside of AAs</b>	0%	0	0	0	0	0	0	16	1,920	16	1,920	0%	

\* Loan Data as of December 31, 2008. Rated area refers to either state or multi-state MA rating area.

\*\* The evaluation period for Community Development Loans is from January 01, 2005 to December 31, 2008.

\*\*\* Deposit Data as of July 30, 2009. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

Table 2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE JANUARY 1, 2005 TO DECEMBER 31, 2008											Evaluation Period:				
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Overall	Low	Mod	Mid	Upp
<b>Full Review:</b>															
2005-2008 Yankton AA	224	93%	NA	NA	NA	NA	89%	78%	11%	22%	3%	NA	NA	3%	5%
<b>Limited Review:</b>															
2006-2008 Sioux Falls AA	16	7%	NA	NA	13%	0%	64%	88%	24%	12%	0%	0%	0%	0%	0%

\* Based on 2007 Peer Mortgage Data (Western)

\*\* Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

\*\*\*\* Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 3. Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT JANUARY 1, 2005 TO DECEMBER 31, 2008											Evaluation Period:				
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography				
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
2005-2008 Yankton AA	120	98%	NA	NA	NA	NA	87%	88%	11%	12%	19%	NA	NA	19%	14%
<b>Limited Review:</b>															
2006-2008 Sioux Falls AA	2	2%	NA	NA	13%	0%	64%	100%	24%	0%	0%	0%	0%	0%	0%

\* Based on 2007 Peer Mortgage Data (Western)

\*\* Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

\*\*\*\* Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE JANUARY 1, 2005 TO DECEMBER 31, 2008											Evaluation Period:				
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography				
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Overall	Low	Mod	Mid	Upp
<b>Full Review:</b>															
2005-2008 Yankton AA	103	94%	NA	NA	NA	NA	89%	78%	11%	22%	2%	NA	NA	2%	3%
<b>Limited Review:</b>															
2006-2008 Sioux Falls AA	7	6%	NA	NA	13%	0%	64%	86%	24%	14%	0%	NA	0%	0%	0%

\* Based on 2007 Peer Mortgage Data (Western)

\*\* Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

\*\*\*\* Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 5. Geographic Distribution of Multifamily Loans

Geographic Distribution: MULTIFAMILY 1, 2005 TO DECEMBER 31, 2008											Evaluation Period: JANUARY				
MA/Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% of MF Units***	% BANK Loans****	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	Overa II	Low	Mod	Mid	Upp
<b>Full Review:</b>															
2005-2008 Yankton AA	7	100%	NA	NA	NA	NA	78%	86%	22%	14%	15%	NA	NA	11%	25%
<b>Limited Review:</b>															
2006-2008 Sioux Falls AA	0	0%	NA	NA	34%	0%	58%	0%	8%	0%	0%	NA	0%	0%	0%

\* Based on 2007 Peer Mortgage Data (Western)

\*\* Multi-family loans originated and purchased in the MA/AA as a percentage of all multi-family loans originated and purchased in the rated area.

\*\*\* Percentage of Multi Family Units is the number of multi family units in a particular geography divided by the number of multifamily housing units in the area based on 2000 Census information.

\*\*\*\* Multifamily loan distribution includes Home Purchases, Home Improvement and Refinances.

Table 6. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES 1, 2005 TO DECEMBER 31, 2008											Evaluation Period: JANUARY				
MA/Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography				
	#	% of Total**	% of Business***	% BANK Loans	% of Business***	% BANK Loans	% of Business***	% BANK Loans	% of Business***	% BANK Loans	Overall	Low	Mod	Mid	Upp
<b>Full Review:</b>															
2005-2008 Yankton AA	1,066	87%	NA	NA	NA	NA	92%	85%	8%	15%	9%	NA	NA	10%	13%
<b>Limited Review:</b>															
2006-2008 Sioux Falls AA	159	13%	NA	NA	24%	12%	65%	77%	11%	11%	1%	NA	1%	1%	0%

\* Based on 2007 Peer Small Business Data -- US and PR

\*\* Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

\*\*\* Source Data - Dun and Bradstreet (2008).

Table 7. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL LOANS TO FARMS											Evaluation Period: JANUARY				
1, 2005 TO DECEMBER 31, 2008															
MA/Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography				
	#	% of Total**	% of Farms**	% BANK Loans	% of Farms*	% BANK Loans	% of Farms**	% BANK Loans	% of Farms**	% BANK Loans	Overall	Low	Mod	Mid	Upp
<b>Full Review:</b>															
2005-2008 Yankton AA	2,576	99%	NA	NA	NA	NA	97%	96%	3%	4%	52%	NA	NA	53%	46%
<b>Limited Review:</b>															
2006-2008 Sioux Falls AA	32	1%	NA	NA	9%	0%	78%	84%	13%	16%	2%	NA	0%	3%	0%

\* Based on 2007 Peer Small Business Data -- US and PR

\*\* Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.

\*\*\* Source Data - Dun and Bradstreet (2008).

Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE 2005 TO DECEMBER 31, 2008											Evaluation Period: JANUARY 1,				
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share <sup>*</sup>				
	#	% of Total <sup>**</sup>	% Families <sup>***</sup>	% BANK Loans <sup>****</sup>	% Families <sup>1</sup>	% BANK Loans <sup>**</sup>	% Families <sup>***</sup>	% BANK Loans <sup>****</sup>	% Families <sup>**</sup>	% BANK Loans <sup>****</sup>	Overa ll	Low	Mod	Mid	Upp
<b>Full Review:</b>															
2005-2008 Yankton AA	224	93%	17%	9%	18%	31%	24%	30%	41%	32%	3%	7%	6%	1%	3%
<b>Limited Review:</b>															
2006-2008 Sioux Falls AA	16	7%	16%	8%	19%	15%	28%	31%	37%	46%	0%	0%	0%	0%	0%

<sup>\*</sup> Based on 2007 Peer Mortgage Data (Western)

<sup>\*\*</sup> As a percentage of loans with borrower income information available. No information was available for 10.0% of loans originated and purchased by bank.

<sup>\*\*\*</sup> Percentage of Families is based on the 2000 Census information.

<sup>\*\*\*\*</sup> Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

<sup>1</sup> Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 9. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT 1, 2005 TO DECEMBER 31, 2008											Evaluation Period: JANUARY				
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share <sup>*</sup>				
	#	% of Total <sup>**</sup>	% Families <sup>***</sup>	% BANK Loans <sup>****</sup>	% Families <sup>2</sup>	% BANK Loans <sup>****</sup>	% Families <sup>*</sup>	% BANK Loans <sup>****</sup>	% Families <sup>*</sup>	% BANK Loans <sup>****</sup>	Overall	Low	Mod	Mid	Upp
<b>Full Review:</b>															
2005-2008 Yankton AA	120	98%	17%	21%	18%	27%	24%	30%	41%	22%	18%	33%	25%	18%	11%
<b>Limited Review:</b>															
2006-2008 Sioux Falls AA	2	2%	16%	50%	18%	0%	28%	50%	37%	0%	0%	0%	0%	0%	0%

<sup>\*</sup> Based on 2007 Peer Mortgage Data (Western)

<sup>\*\*</sup> As a percentage of loans with borrower income information available. No information was available for 4.9% of loans originated and purchased by bank.

<sup>\*\*\*</sup> Percentage of Families is based on the 2000 Census information.

<sup>\*\*\*\*</sup> Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

<sup>2</sup> Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 10. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE JANUARY 1, 2005 TO DECEMBER 31, 2008												Evaluation Period:				
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share*					
	#	% of Total**	% Families***	% BANK Loans****	% Families <sup>3</sup>	% BANK Loans****	% Families* **	% BANK Loans****	% Families* **	% BANK Loans**	Overall	Low	Mod	Mid	Upp	
<b>Full Review:</b>																
2005-2008 Yankton AA	103	94%	17%	9%	18%	18%	24%	31%	41%	43%	2%	0%	1%	3%	2%	
<b>Limited Review:</b>																
2006-2008 Sioux Falls AA	7	6%	16%	17%	19%	33%	28%	17%	37%	33%	0%	0%	0%	0%	0%	

\* Based on 2007 Peer Mortgage Data (Western)

\*\* As a percentage of loans with borrower income information available. No information was available for 9.1% of loans originated and purchased by bank.

\*\*\* Percentage of Families is based on the 2000 Census information.

\*\*\*\* Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.

<sup>3</sup> Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 11. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES 1, 2005 TO DECEMBER 31, 2008								Evaluation Period: JANUARY	
MA/Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Market Share*	
	#	% of Total**	% of Businesses***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev\$ 1 Million or Less
<b>Full Review:</b>									
2005-2008 Yankton AA	1,066	87%	54%	73%	74%	17%	9%	9%	13%
<b>Limited Review:</b>									
2006-2008 Sioux Falls AA	159	13%	60%	60%	59%	18%	23%	1%	1%

\* Based on 2007 Peer Small Business Data -- US and PR

\*\* Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

\*\*\* Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B - 2008).

\*\*\*\* Small loans to businesses with revenues of \$1 million or less as a percentage of all loans reported as small loans to businesses. No information was available for 4.41% of small loans to businesses originated and purchased by the bank.

Table 12. Borrower Distribution of Small Loans to Farms

Borrower Distribution: SMALL LOANS TO FARMS JANUARY 1, 2005 TO DECEMBER 31, 2008							Evaluation Period:		
MA/Assessment Area:	Total Small Loans to Farms		Farms With Revenues of \$1 million or less		Loans by Original Amount Regardless of Farm Size			Market Share*	
	#	% of Total**	% of Farms***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev\$ 1 Million or Less
<b>Full Review:</b>									
2005-2008 Yankton AA	2,576	99%	99%	89%	82%	13%	5%	52%	58%
<b>Limited Review:</b>									
2006-2008 Sioux Falls AA	32	1%	98%	91%	91%	6%	3%	2%	3%

\* Based on 2007 Peer Small Business Data -- US and PR

\*\* Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.

\*\*\* Farms with revenues of \$1 million or less as a percentage of all farms (Source D&B - 2008).

\*\*\*\* Small loans to farms with revenues of \$1 million or less as a percentage of all loans reported as small loans to farms. No information was available for 2.88% of small loans to farms originated and purchased by the bank.

Table 14. Qualified Investments

QUALIFIED INVESTMENTS JANUARY 1, 2005 TO DECEMBER 31, 2008								Evaluation Period:	
MA/Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
<b>Full Review:</b>									
2005-2008 Yankton AA	0	0	31	335	31	335	22%	0	0
<b>Limited Review:</b>									
2006-2008 Sioux Falls AA	0	0	7	26	7	26	2%	0	0
<b>Statewide Investment with Potential Benefit to One or More AAs</b>	3	1,018	7	135	10	1153	76%	0	0

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

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

Table 15. Distribution of Branch Delivery System and Branch Openings/Closings

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS JANUARY 1, 2005 TO DECEMBER 31, 2008														Evaluation Period:			
MA/Assessment Area:	Deposits	Branches						Branch Openings/Closings						Population			
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
<b>Full Review:</b>																	
2005-2008 Yankton AA	97%	4	80%	0%	0%	100%	0%	0	1	NA	NA	NA	-1	0%	0%	89%	11%
<b>Limited Review:</b>																	
2006-2008 Sioux Falls AA	3%	1	20%	0%	0%	100%	0%	1	0	NA	NA	+1	NA	0%	18%	63%	19%