

PUBLIC DISCLOSURE

August 19, 2013

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

The Commercial and Savings Bank
RSSD #189129

91 North Clay Street
P.O. Box 232
Millersburg, OH 44654

Federal Reserve Bank of Cleveland

P.O. Box 6387
Cleveland, OH 44101 - 1387

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.

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INSTITUTION'S CRA RATING: This institution is rated: Satisfactory
The Lending Test is rated: Satisfactory
The Community Development Test is rated: Outstanding

The major factors and criteria contributing to this rating include:

- A reasonable loan-to-deposit ratio, given the bank's size, financial condition, and assessment area credit needs;
- A majority of loans and other lending-related activities are in the assessment area;
- The geographic distribution of loans reflects a reasonable dispersion throughout the assessment area;
- A reasonable penetration among individuals of different income (including low- and moderate-income individuals) levels and businesses of different sizes;
- There were no CRA-related complaints filed against the bank since the previous Community Reinvestment Act (CRA) examination; and
- An outstanding level of responsiveness to the community development needs of its assessment area.

The bank was rated "Satisfactory" at the previous CRA evaluation dated July 11, 2011.

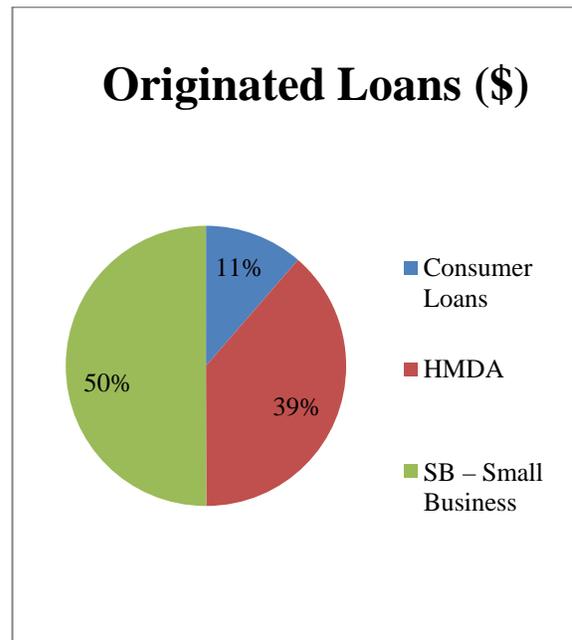
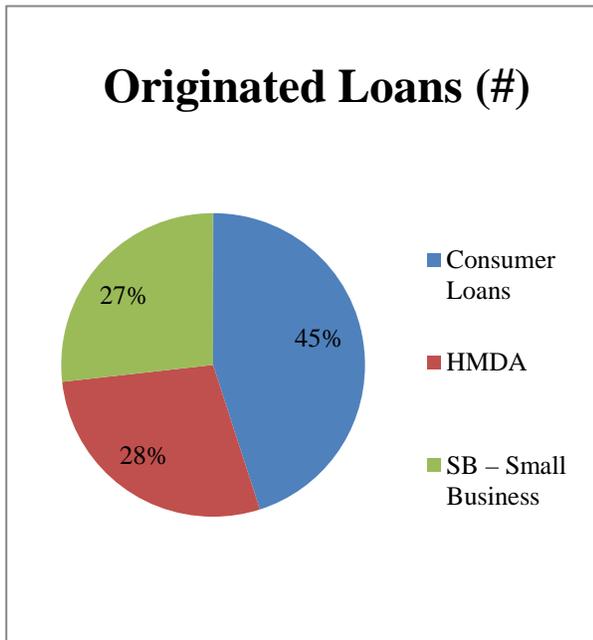
SCOPE OF EXAMINATION

The Commercial and Savings Bank of Millersburg, Ohio (CSB) was evaluated using the Interagency Intermediate Small Bank procedures. The bank’s CRA performance included lending data from January 1, 2012 to December 31, 2012 and community development activities from July 9, 2011 to March 30, 2013.

The loan products evaluated included consumer loans, small business loans, and mortgage loans reported under the Home Mortgage Disclosure Act (HMDA). HMDA loans consist of home purchase, refinance, and multifamily housing loans and closed-end home improvement loans. Consumer loans also include home equity loans.

The following table and charts illustrate the volume and distribution of loans originated during the evaluation period.

Number of Loans	Loan Type	Dollar Amount of Loans (000s)
674	Consumer Loans	16,809
422	HMDA	56,988
401	Small Business	73,905
1,497	Total	147,702



As the distribution indicates, small business loans accounted for a significant percentage of originated loans by dollar amount; therefore, small business loans were given the most weight. HMDA loans were given the second-greatest weight. Although there were a greater number of consumer loans than HMDA and small business loans, the dollar amount of consumer loans is significantly less than that of HMDA and small business loans. As a result, consumer loans were given the least weight.

CSB has two assessment areas throughout Ohio, including:

- Nonmetropolitan Ohio (Non-MSA Ohio), which includes:
 - Coshocton County
 - Holmes County
 - Wayne County
 - Tuscarawas County

- Northern portion of Canton-Massillon MSA 15940

CSB's assessment area in Non-MSA Ohio was given the greatest weight in this evaluation, as it contained the largest percentage of branches and originated the largest amount of loans by volume. CSB's main office is located in Millersburg, Ohio and 15 of CSB's 16 offices are located within this assessment area.

Based on deposit share and lending activity, the following reviews were completed on each of the assessment areas:

- Non-MSA Ohio – Full Review
- Canton-Massillon MSA 15940 – Limited Review

Due to the minimal number of low- and moderate-income tracts within the assessment areas, borrower distribution was given greater weight than geographic distribution for this evaluation.

DESCRIPTION OF INSTITUTION

CSB is a state member bank and is the sole banking subsidiary of CSB Bancorp, Incorporated. The holding company also owns insurance company CSB Investment Services, LLC. CSB has assets of \$569 million as of March 31, 2013, an increase of 28.0% since the previous examination in July 2011.

In addition to the main office, CSB operates 15 offices throughout Holmes, Wayne, and Tuscarawas Counties and one office in Stark County. Fourteen of the 16 offices have full-service automated teller machines (ATMs), while the main office and the Gnadenhutten offices have cash-only ATMs. CSB has three cash-only ATMs located in Millersburg, Dover, and Washington. Since the previous examination, CSB opened two new branch offices in Wooster, Ohio.

CSB is a full-service retail bank offering deposit accounts and commercial, agricultural, real estate, and consumer loans. As of March 31, 2013, the loan portfolio totaled \$369 million. While loans to individuals and real estate loans have remained consistent, CSB has seen a 108% increase in commercial loans since the previous examination.

The following chart represents the bank's loan portfolio as of March 31, 2013

Loan Type	Percent of Total Loans
Commercial / Industrial & Non-Farm Non-Residential Real Estate	51.5%
Secured by 1-4 Family Residential Real Estate	36.5%
Construction and Land Development	4.9%
Loans for Agricultural Production & Secured by Farmland	4.7%
Consumer Loans	1.8%
All Other Loans	0.1%
Total (gross)	100.0%

As of March 31, 2013, CSB's investment portfolio was approximately \$160 million. The investment portfolio is primarily comprised of U.S. Treasury & Agency Securities, which accounts for 66.9%. The remaining investment portfolio is comprised of Interest-Bearing Bank Balances (17.5%), Municipal Securities (10.9%), and All Other Securities (4.8%).

There are no legal or financial constraints preventing CSB from meeting the credit needs of its assessment area consistent with its asset size, business strategy, resources, and local economy.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

Lending Test

The bank is rated “Satisfactory” under the lending test.

Loan-to-Deposit Ratio

A financial institution’s loan-to-deposit (LTD) ratio compares the institution’s aggregate loan balances outstanding to its total deposits outstanding. The ratio is a measure of an institution’s lending volume relative to its capacity to lend and is derived by adding the quarterly LTD ratios and dividing the total by the numbers of quarters. CSB’s peer group consists of similarly situated institutions within the same market.

The following table illustrates CSB’s quarterly LTD ratios for seven quarters since the previous evaluation, along with the average LTD ratio for the same period for the bank and the peer.

CSB Loan-to-Deposit Ratios					
As of Date	CSB	Killbuck Svgs Bk	Wayne Svgs Cmnty Bk	First NB	Aggregate
March 31, 2013	80.4	58.6	75.2	67.8	73.2
December 31, 2012	75.7	58.3	75.1	72.3	74.0
September 30, 2012	76.6	57.4	72.8	66.8	74.5
June 30, 2012	74.5	56.5	70.9	64.7	74.3
March 31, 2012	72.6	56.8	69.6	63.0	73.3
December 31, 2011	72.1	57.6	NA	62.8	75.1
September 30, 2011	87.1	58.0	NA	60.7	75.9
Quarterly LTD Ratio Average Since the Previous Examination	77.0	57.6	72.7	65.4	74.3

The bank averaged a 77% LTD over the past seven quarters. The bank’s average LTD ratio is higher than the national peer group’s average LTD ratio of 74.3%. While bank management attributed the decrease in LTD ratios to the economic conditions, LTDs have remained stable over the past six quarters, indicating an effective lending philosophy.

When comparing CSB’s quarterly LTD ratio to its local peer banks, CSB has maintained a higher LTD ratio than its peers each quarter since the previous examination. Therefore, considering the bank’s lending-related activity, size, financial condition, and assessment area credit needs, CSB’s LTD ratio is considered reasonable.

Lending in the Assessment Area

The bank’s small business lending, mortgage lending, and consumer lending was analyzed to determine the volume of lending inside and outside the bank’s assessment area. Of the bank’s total loans, 89.3% by volume and 84.8% by dollar amount were made inside the assessment area.

The following table illustrates the percentages of loans made inside and outside the bank’s assessment area.

Lending Inside and Outside the Assessment Area												
Loan Type - Description	Inside				Outside				Total			
	#	%	\$(000s)	%	#	%	\$(000s)	%	#	%	\$(000s)	%
HE - Home Equity	208	94.5	11,884	93.7	12	5.5	800	6.3	220	100.0	12,683	100.0
XX - Consumer Loans	399	87.9	3,221	78.1	55	12.1	905	21.9	454	100.0	4,126	100.0
Total Consumer-related	607	90.1	15,105	89.9	67	9.9	1,704	10.1	674	100.0	16,810	100.0
CV - Home Purchase - Conventional	88	87.1	11,376	84.4	13	12.9	2,107	15.6	101	100.0	13,483	100.0
HI - Home Improvement	32	84.2	2,160	74.6	6	15.8	736	25.4	38	100.0	2,896	100.0
MF - Multi-Family Housing	5	83.3	5,650	95.3	1	16.7	280	4.7	6	100.0	5,930	100.0
RF - Refinancing	251	90.6	30,687	88.5	26	9.4	3,992	11.5	277	100.0	34,679	100.0
Total HMDA-related	376	89.1	49,873	87.5	46	10.9	7,115	12.5	422	100.0	56,988	100.0
SB - Small Business	354	88.3	60,240	81.5	47	11.7	13,665	18.5	401	100.0	73,905	100.0
Total Small Bus.-related	354	88.3	60,240	81.5	47	11.7	13,665	18.5	401	100.0	73,905	100.0
TOTAL LOANS	1,337	89.3	125,219	84.8	160	10.7	22,484	15.2	1,497	100.0	147,702	100.0

The table illustrates that a majority of the bank’s loans were originated inside of the assessment area by both volume and dollar amount.

Geographic and Borrower Distribution

Overall, the geographic and borrower distribution of loans is considered reasonable. Refer to the respective assessment area analyses for further details.

Response to Consumer Complaints

The bank has not received any CRA-related consumer complaints since the previous examination.

Community Development Test

The bank is rated “Outstanding” under the community development test.

CSB’s community development performance demonstrates an excellent responsiveness to the community development needs of its assessment area through community development loans, qualified investments, and community development services, considering its capacity and the needs and availability of such opportunities for community development in its assessment area.

Fair Lending or Other Illegal Credit Practices Review

No evidence of discrimination or other illegal credit practices inconsistent with helping to meet community credit needs was identified.

DESCRIPTION OF ASSESSMENT AREA IN NON-METROPOLITAN OHIO

The non-metropolitan Ohio assessment area consists of Holmes, Wayne, Tuscarawas, and Coshocton Counties.

The bank's non-metropolitan Ohio assessment area consists of 52 census tracts. Of these tracts, one is low-income, eight are moderate-income, 36 are middle-income, and seven are upper-income. The bank's main office and 11 branches are located in middle-income census tracts. Two branches are located in upper-income census tracts and one branch is in a moderate-income census tract.

There is significant banking competition within the non-metropolitan Ohio assessment area. There are 24 FDIC-insured institutions operating 121 offices within Coshocton, Holmes, Tuscarawas, and Wayne Counties. Based on the June 30, 2012 FDIC-insured Deposit Market Share Report, CSB ranked second out of 24 institutions with a market share of 10.9%. Although PNC remains first with a market share of 14.6%, CSB has increased its market share by 2.5% since the previous examination, surpassing Huntington National Bank and JPMorgan Chase Bank.¹ The following table illustrates the deposit market share for the top ten financial institutions in the counties.

#	Financial Institution	Deposit Market Share
1	PNC Bank	14.6%
2	CSB	10.9%
3	Huntington Bank	9.3%
4	Killbuck Bank	8.5%
5	JPMorgan Chase Bank	8.5%
6	First Merit Bank	7.7%
7	First National Bank	6.8%
8	Wayne Savings Community Bank	6.1%
9	First Federal Community Bank	4.9%
10	First National Bank of Dennison	4.4%

¹ <http://www.2.fdic.gov/sod/sodMarketBank.asp>

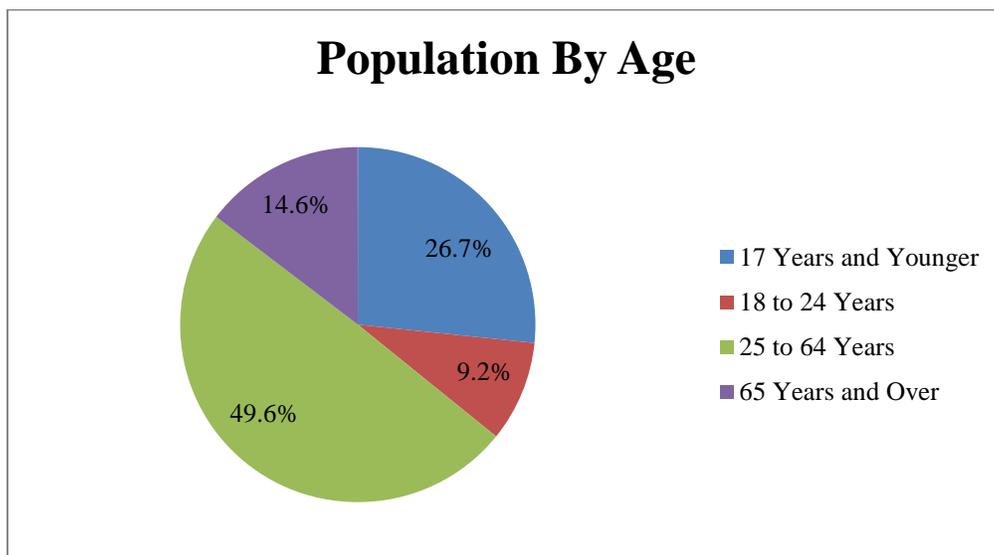
Population Characteristics

According to the U.S. Census Bureau’s 2012 population estimates, the population for the four counties in CSB’s non-metropolitan Ohio assessment area totals 287, 044. The following table shows the 2010 and estimated 2012 populations of the four counties within the assessment area, as well as the estimated population change.²

County	2010 Population	2012 Population	Population Percent Change
Coshocton	36,897	36,779	-0.3%
Holmes	42,448	43,025	1.4%
Tuscarawas	92,565	92,392	-0.2%
Wayne	114,480	114,848	0.3%
Total	286,390	287,044	0.2%

The estimates show that there has been little change in population over the last two years, with Holmes County experiencing the most growth. Holmes County is home to the world’s largest Amish community.³ Estimated at around 19,000, the Amish community makes up roughly 48.0% of Holmes County. The Amish are known for their tight-knit communities and emphasis on family businesses.

The population by age is distributed as follows:



Approximately 27.0% of the population is under 18, the legal age to enter into a contract, while approximately 59.0% of the population is between the ages of 18 and 64, the prime ages when individuals are generally in need of loans.

² <http://factfinder2.census.gov>
³ <http://www.visitamishcountry.com/>

Income Characteristics

According to the 2010 U.S. Census, there were 80,140 households within the assessment area, of which 56,837 (71%) were families. Of these families, 17.1% were low-, 18.3% were moderate-, 23.1% were middle-, and 41.4% were upper-income.

The median family income for the assessment area was \$53,513 in 2010, which was lower than the median family income for Ohio at \$59,680. The median household income for the assessment area is \$44,163, which is lower than Ohio at \$47,358.

The poverty levels differed considerably among the five counties in the assessment area. Coshocton had the highest poverty levels at 15.9% while the other three counties were below the state levels. The following table illustrates 2010 poverty rates for each county in the assessment area.

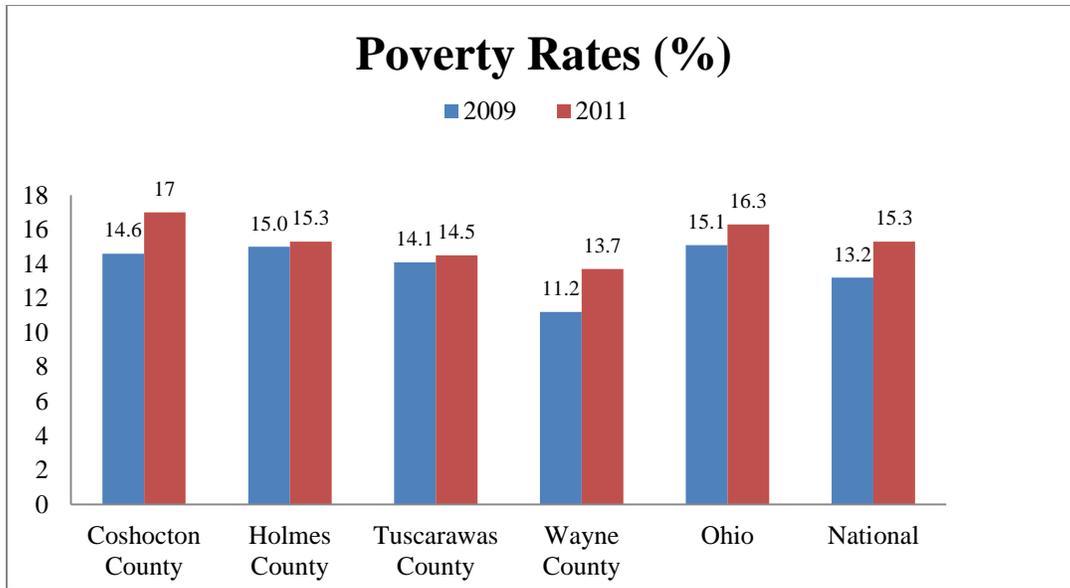
County	Percentage of Population in Poverty
Coshocton	15.9%
Holmes	12.2%
Tuscarawas	13.2%
Wayne	9.8%

One factor that could be influential in the higher poverty levels for Coshocton County is the presence of Central Ohio Technical College. The college enrolls over 4,000 students each year, most of which require housing in the area.

In the assessment area, 9.3% of the families were below the poverty level, which is slightly lower than Ohio's rate at 10.3%. Furthermore, 22.2% of families who live below the poverty level in this assessment area reside in moderate-income census tracts, while the majority of families below the poverty level (67.1%) reside in middle-income census tracts. Only 10.3% of families below the poverty level reside in upper-income census tracts.

Based on 2009 data from the Economic Research Service of the United States Department of Agriculture (USDA),⁴ household poverty rates for the counties in the assessment area were:

⁴ <http://ers.usda.gov/Data/Povertyrates>



The chart indicates that there has been an increase in poverty rates in each county, which is consistent with the poverty rates in the state of Ohio and the national average.

Moreover, of the households in the assessment area receiving public assistance, 19.6% are in moderate-income tracts and the majority (66.6%) is concentrated in middle-income tracts.

Labor, Employment, and Economics

The following tables illustrate land use in each county in the assessment area.⁵

County	Urban	Cropland	Pasture	Forest	Open Water	Wetlands
Coshocton	1.5%	19.7%	12.8%	64.9%	0.7%	0.4%
Holmes	0.6%	28.9%	18.4%	51.1%	0.1%	0.9%
Tuscarawas	4.8%	20.4%	10.3%	63.4%	0.8%	0.1%
Wayne	5.3%	59.6%	11.6%	22.5%	0.3%	0.6%

As indicated above, while Wayne and Tuscarawas Counties are the most urban, all of the counties are predominantly forest land and crop land.

The following table shows the three primary employment sectors (by number of persons employed in the county) and major employers for each of the counties in the assessment area.

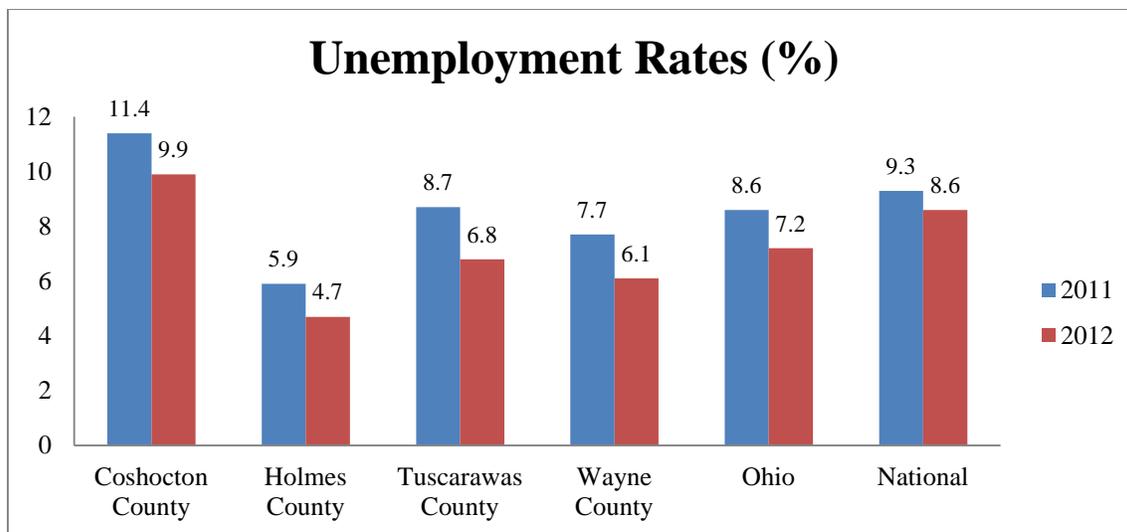
⁵ http://development.ohio.gov/reports/reports_countytrends_map.htm

County	Primary Employment Sectors	Major Employers
Coshocton	Manufacturing; Trade, Transportation and Utilities; Education and Health Services; Local Government	AK Steel Holding Corp.; American Electric Power Co.; Coshocton City Schools, County Government, and County Memorial Hospital; Kraft Foods Inc.; McWane Corp.; Riverview Local Schools; RockTenn CP, LLC
Holmes	Manufacturing; Trade, Transportation and Utilities; Construction; Local Government; Professional and Business Services; Leisure and Hospitality	Case Foods Inc.; East Homes Local Schools; International Automotive; Overhead Door/ Wayne-Dalton; Pomerene Hospital; Rexam plc; Sperry & Rice Mfg. Co. LLC; Weaver Leather Goods Inc.; West Holmes Local Schools
Tuscarawas	Manufacturing; Trade, Transportation and Utilities; Education and Health Services; Local Government; Leisure and Hospitality; Construction	Alamo Group/ Gradall Industries; Allied Machine & Engineering; Dover City Schools; New Philadelphia City Schools; RockTenn CP LLC; Union Hospital; Wal-Mart Stores Inc.; Zimmer Orthopedic
Wayne	Manufacturing; Trade, Transportation and Utilities; Education and Health Services; Local Government; Leisure and Hospitality; Professional and Business Services	Buehler Food Markets Inc.; College of Wooster; Frito-Lay Inc.; JLG Industries; JM Smucker Co.; LuK Inc.; State of Ohio; Will-Burt Co.; Wooster Brush Co.; Wooster City Schools; Wooster Community Hospital; Worthington Ind/ Gerstenslager Co.

As indicated in the chart above, manufacturing, trade, transportation, and utilities are the largest industries in the assessment area. Local government, education, and health services are also responsible for many of the jobs in the assessment area. A community contact in Wayne County indicated that a large portion of the Amish community own manufacturing businesses in the surrounding area and are quite successful, sustaining organic growth over time.

The following table outlines the unadjusted unemployment rate of the bank’s assessment area according to the Ohio Department of Job and Family Services and reflects a declining trend in unemployment in each of the counties in the assessment area.⁶

⁶ <http://ohiolmi.com/>



Housing Characteristics

According to the 2010 U.S. Census, there are 88,286 housing units in the assessment area. Within the assessment area, 68.1% are owner-occupied, 22.6% are rental units, and 9.2% are vacant. Owner-occupied units are greater in middle- and upper-income tracts, while rental units and vacant units are greater in low- and moderate-income tracts. This disparity in housing creates less of an opportunity for banks to make home purchase, refinance and home improvement loans to individuals living in low- and moderate-income tracts as compared to individuals living in middle- and upper-income tracts.

The median age of the housing stock is 42 years, with the oldest housing stock in moderate-income tracts at 60 years. The median age of the housing stock for low-, middle-, and upper-income tracts is 40, 40, and 38 years, respectively. Due to the age of the homes in the area and the large concentration of owner-occupied units in the moderate- and middle-income tracts, opportunities exist for home improvement lending in the assessment area.

Furthermore, the median housing value in the assessment areas was \$126,373, with an affordability ratio of 35.0; the higher the affordability ratio, the more affordable a home is considered. The housing affordability ratio is calculated by dividing median family income by median housing value.

In addition, based on the average median family income for this assessment area (\$53,513), roughly 50.3% of the homes valued up to \$87,000 in the assessment area would be considered affordable for low-income individuals and approximately 80.4% of the homes valued up to \$140,000 would be considered affordable for moderate-income individuals. These percentages were calculated assuming an average mortgage payment equal to 28.0% of gross income for a 5.0% fixed-rate, 30-year loan.

According to Realtytrac, an online database that tracks and provides foreclosure statistics, Ohio had the third highest foreclosure rate in the country for July 2013, with one in every 639 housing units.⁷ The following table shows the number of foreclosures by rank and foreclosure rates by county in the bank's assessment area as of July 2013:

County rank by Number of Foreclosures⁸	Number of Foreclosures	Housing Units Received a Foreclosure Filing⁹	Rank by Foreclosure Rate
Wayne	50	1 in 916	1
Tuscarawas	34	1 in 1181	2
Holmes	4	1 in 3402	3
Coshocton	2	1 in 8275	4

The median gross rent for the assessment area is \$592, which is lower than the median gross rents for Ohio (\$678). Only 27.7% of gross rents are above \$700, which is lower than Ohio at 44.1%.

7 <http://www.realtytrac.com/statsandtrends/foreclosuretrends>

8 There are 88 counties in the State of Ohio

9 The foreclosure rate is calculated by dividing the total housing units in the county by the total number of properties that received foreclosure filings during the month and that number is expressed as a ratio (i.e., 1 in 100). The lower the second number in the ratio, the higher the foreclosure rate

Combined Demographics Report

Assessment Area(s): Non MSA Ohio 2012

Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	1	1.9	49	0.1	30	61.2	9,739	17.1
Moderate-income	8	15.4	7,041	12.4	1,192	16.9	10,424	18.3
Middle-income	36	69.2	42,238	74.3	3,641	8.6	13,120	23.1
Upper-income	7	13.5	7,509	13.2	410	5.5	23,554	41.4
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	52	100.0	56,837	100.0	5,273	9.3	56,837	100.0
	Housing Units by Tract	Housing Types by Tract						
		Owner-Occupied			Rental		Vacant	
		#	%	%	#	%	#	%
Low-income	99	19	0.0	19.2	50	50.5	30	30.3
Moderate-income	11,945	6,787	11.3	56.8	3,686	30.9	1,472	12.3
Middle-income	64,072	45,114	75.0	70.4	13,062	20.4	5,896	9.2
Upper-income	12,170	8,239	13.7	67.7	3,183	26.2	748	6.1
Unknown-income	0	0	0.0	0.0	0	0.0	0	0.0
Total Assessment Area	88,286	60,159	100.0	68.1	19,981	22.6	8,146	9.2
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	#
Low-income	6	0.1	4	0.0	2	0.2	0	0.0
Moderate-income	1,460	13.0	1,251	12.6	145	17.5	64	15.0
Middle-income	8,136	72.6	7,261	72.9	580	70.0	295	69.1
Upper-income	1,612	14.4	1,442	14.5	102	12.3	68	15.9
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	11,214	100.0	9,958	100.0	829	100.0	427	100.0
Percentage of Total Businesses:			88.8		7.4		3.8	
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	#
Low-income	0	0.0	0	0.0	0	0.0	0	0.0
Moderate-income	68	6.6	67	6.6	1	16.7	0	0.0
Middle-income	851	83.0	847	83.1	4	66.7	0	0.0
Upper-income	106	10.3	105	10.3	1	16.7	0	0.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	1,025	100.0	1,019	100.0	6	100.0	0	.0
Percentage of Total Farms:			99.4		.6		.0	

Based on 2012 D&B information according to 2010 ACS Boundaries.

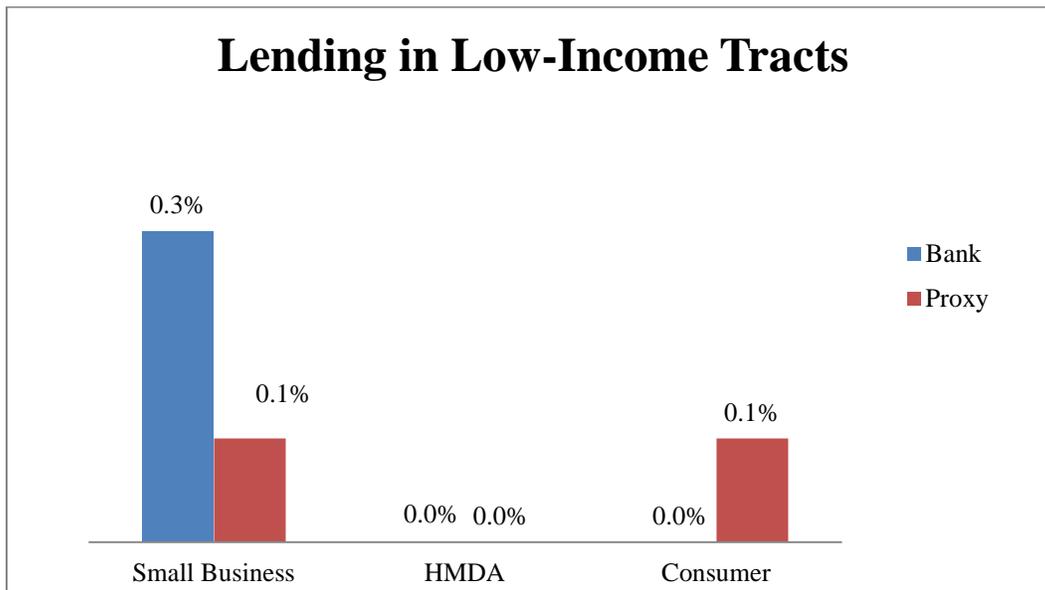
CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA

Lending Test

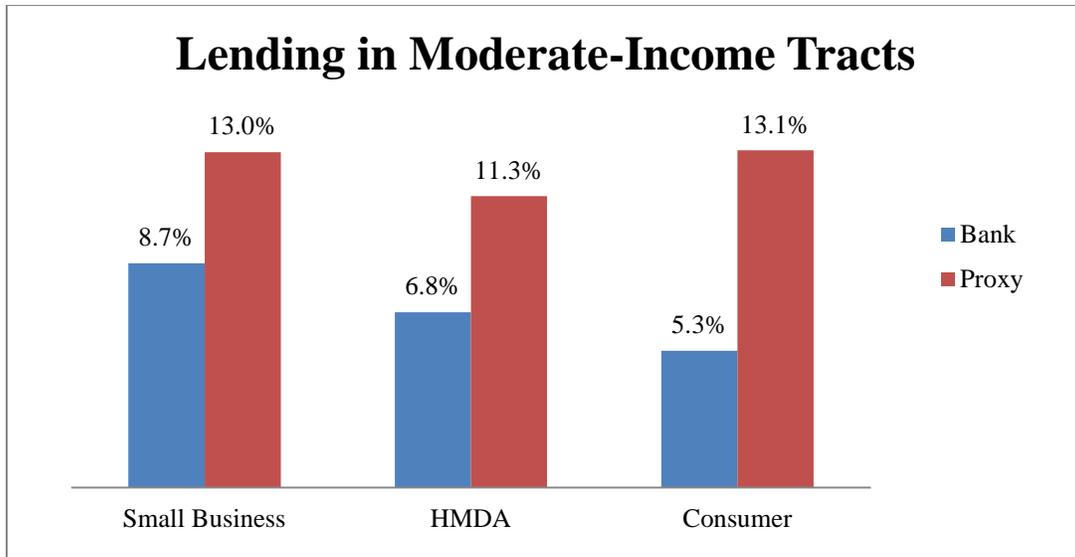
Geographic Distribution of Lending

The geographic distribution of loans is considered reasonable.

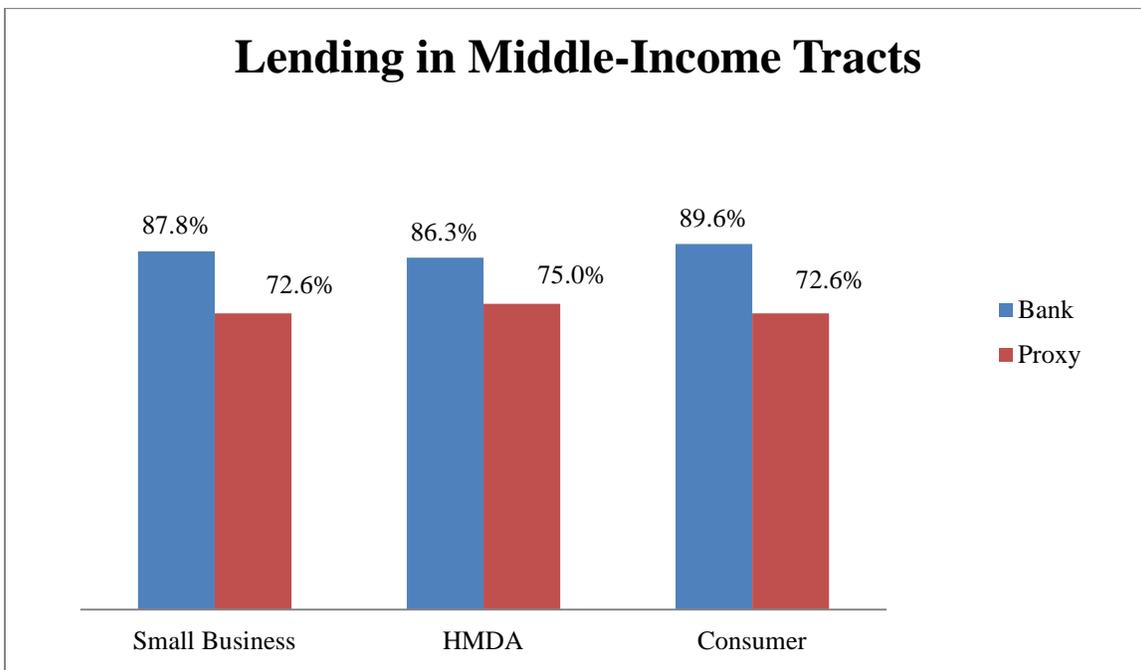
The chart below shows that CSB originated a higher percentage of loans to small businesses in low-income tracts. The chart also indicates that CSB did not originate any consumer loans in low-income tracts, while the proxy shows 0.1% of households are located in low-income tracts.



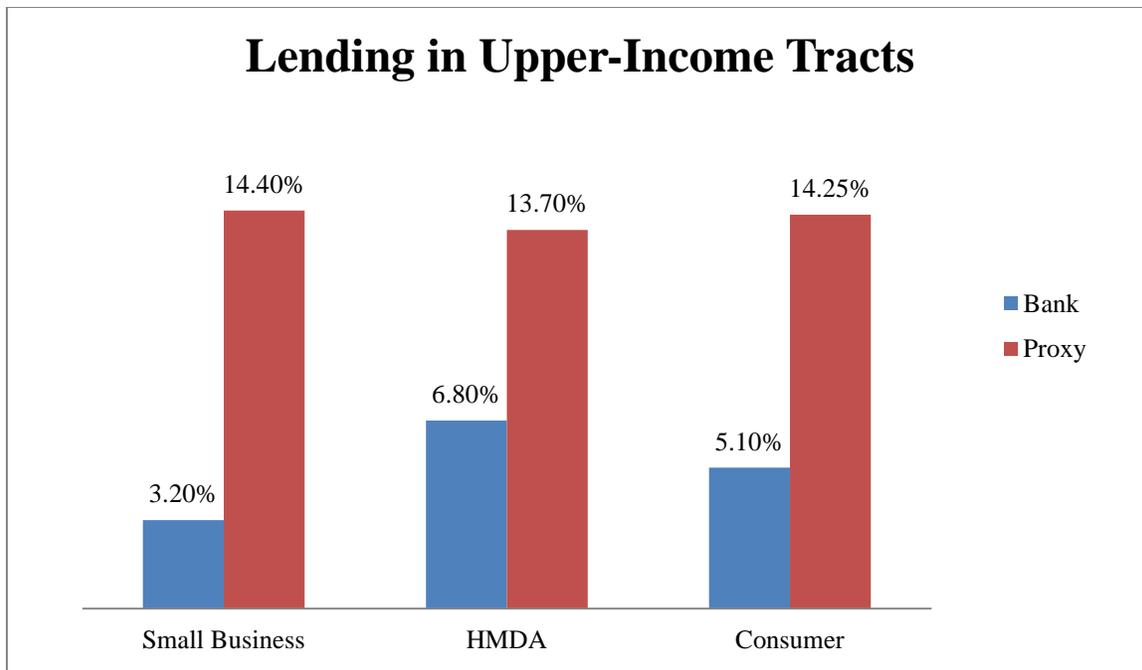
The chart below shows that CSB originated a lower percentage of loans than the percentage of small businesses in moderate-income tracts. CSB also originated a much lower percentage of HMDA loans and consumer loans compared to the percentage of owner-occupied housing units (proxy) and the percentage of households (proxy), respectively.



The chart below shows that CSB originated a substantially higher percentage of loans than the proxies for all loan product types in middle-income tracts.



The chart below shows that CSB originated a considerably lower percentage of loans than the proxies for all loan product types in upper-income tracts.



The assessment area is comprised primarily of middle-income tracts (69.2%) and only 17.3% low- and moderate income tracts. Notably, CSB was able to originate one or more loans in each of its nine low- and moderate-income geographies during this evaluation period.

The bank made loans in all of the census tracts in the non-metropolitan Ohio assessment area; therefore, there were no unexplained gaps in the bank's lending patterns.

Although CSB's geographic distribution of lending for small business, consumer and HMDA loans was below the corresponding proxies in moderate-income tracts, the geographic distribution of lending overall is considered reasonable.

Borrower Distribution of Lending

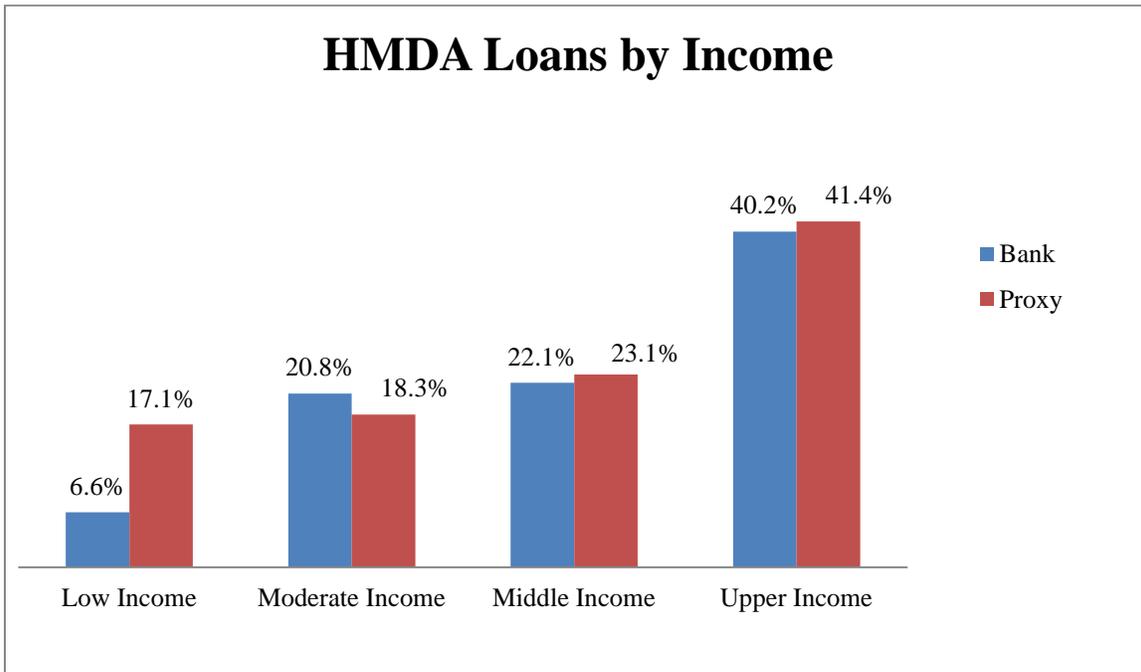
CSB's lending performance reflects a reasonable distribution of lending to borrowers of different income levels and businesses of different revenue sizes (particularly to moderate-income borrowers and small businesses).

Of the 343 small business loans, 238 (69.4%) were originated to businesses with revenues of \$1 million or less, which was below the proxy at 88.8%. Consequently, the bank's lending to small businesses was considered good.

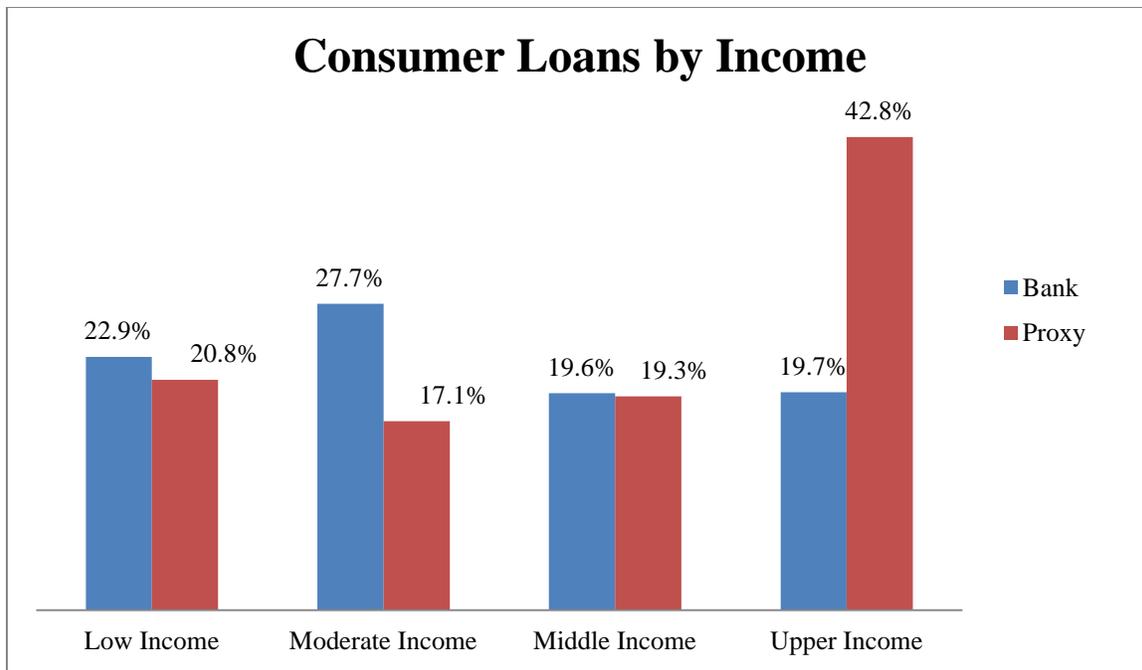
Further analysis shows that 65.6% of the bank's small business loans were extended in an amount of \$100,000 or less. Smaller dollar loans are generally commensurate with the borrowing needs of smaller businesses; therefore, CSB's lending activity demonstrates that the bank is adequately meeting the credit needs of such businesses.

A community contact from Wayne County indicated that businesses in the area were usually successful due to the pace at which growth occurs. The contact advised that many small business owners use small dollar loans to make repairs or to help with expansion efforts.

The bank originated a significantly lower percentage of HMDA loans to low-income borrowers and a slightly higher level to moderate-income borrowers compared to the percentage of families (proxy) in the assessment area. Low- and moderate-income families represent 35.5% of the population and accounted for 27.3% of HMDA loans. Therefore, the HMDA lending to low- and moderate-income borrowers is considered reasonable. The following table depicts HMDA lending by family income.



The bank originated a significantly higher percentage of consumer loans to low- and moderate-income borrowers compared to the percentage of households (proxy) in the assessment area.



Based on this analysis, CSB’s overall consumer lending to low- and moderate-income borrowers is excellent, as the bank exceeds the proxy.

Community Development Test

Community Development Loans

CSB has demonstrated an excellent responsiveness to community development lending needs. The bank originated two community development loans totaling \$1.25 million. One loan was for the construction of a retail site in a low-income census tract. The construction of the location will not only bring jobs to the area, but over 83.0% of the profits go toward job training and employment-related services. The other loan was a renewal of a line of credit for an organization that assists individuals in obtaining affordable housing.

Qualified Investments

CSB has demonstrated an adequate responsiveness to community development investment needs. During this evaluation period, the bank made 25 new investments to 11 organizations totaling \$24,500. The bank’s investments were primarily donations to support a variety of activities, such as services directed to low- and moderate-income individuals and families, affordable housing, and promoting economic development. Opportunities for investment within the bank’s assessment area are limited.

Community Development Services

CSB has demonstrated an adequate responsiveness to community development service needs.

The branch distribution is representative of the overall makeup of geographies in the assessment area, as 13.9% of the tracts are designated as low- and moderate-income tracts and 6.7% of the bank's branches and 12.4% of families are located in low- and moderate-income tracts.

Geography	Number of Branches	Percent	Number of ATMs (full service)	Percent	Percent of Families by Tract Income
Moderate-income	1	6.7%	1	5.6%	12.4%
Middle-income	12	80%	15	83.3%	74.3%
Upper-income	2	13.3%	2	11.1%	13.2%
Totals	15	100.0%	18	100.0%	100.0%

In addition to the branch delivery system, CSB offers alternative delivery systems, such as ATMs, telephone, and internet banking.

The bank's employees routinely provide their financial expertise to local organizations that provide community development services to the community through board and committee memberships. The following table outlines qualified community service activities provided by CSB senior management and employees.

Habitat for Humanity	Officer on the Board, Family Selection Committee; Officer on the Board, VP and Finance Committee; Employee on Board & Chairs the Family Selection Committee; Officer does Financial Counseling and Family Support Leader
Goodwill Industries	Officer on Board of Directors; Officer on Holmes C. Business Advisory Committee; Several officers taught "Money Matters" course to constituents
Voluntary Income Tax Assistance Program (VITA)	Officers/ employees in tax assistance program
Holmes County Education Fund	Director is Trustee
People-to-People	Officer on the Board, Finance and Audit Committees
United Way of Tuscarawas County	Officer is Leader for Financial Division of Campaign
Historic Downtown/ Millersburg	Director assists with financial responsibilities
Your Human Resources	Officers taught financial classes to welfare recipients
Glenmont Food Pantry	Employee on the Board and is Treasurer

**METROPOLITAN ASSESSMENT AREA
(Limited-scope Review)**

**DESCRIPTION OF THE INSTITUTION'S OPERATIONS IN
CANTON-MASSILLON, OHIO MSA 15940**

Within the Canton-Massillon Metropolitan Statistical Area (MSA), CSB has 13 tracts located in the north central portion of Stark County. Four are middle- and nine are upper-income tracts.

The Canton-Massillon MSA is comprised of Carroll and Stark Counties. The MSA is the nation's 128th largest MSA. As of the 2010 U.S. Census, the MSA has a population of 404,422, of which 375,586 (92.9%) reside in Stark County, making it the largest county in the MSA. In addition, 70,859 (24.2%) of the assessment area's total population resides in this assessment area.

The city of Canton is the largest city in Stark County; however, Canton is not part of the bank's assessment area. CSB operates one branch office with a full-service ATM located in the city of North Canton. Within Stark County, there are 18 FDIC-insured institutions operating 128 offices. CSB ranks 15th with only 0.1% of the market share of deposits.

Combined Demographics Report

Assessment Area(s): Canton-Massillon MSA 2012

Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income		
	#	%	#	%	#	%	#	%	
Low-income	0	0.0	0	0.0	0	0.0	1,920	10.1	
Moderate-income	0	0.0	0	0.0	0	0.0	2,671	14.0	
Middle-income	4	30.8	5,913	31.0	304	5.1	3,792	19.9	
Upper-income	9	69.2	13,183	69.0	425	3.2	10,713	56.1	
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0	
Total Assessment Area	13	100.0	19,096	100.0	729	3.8	19,096	100.0	
	Housing Units by Tract	Housing Types by Tract							
		Owner-Occupied				Rental		Vacant	
		#	%	#	%	#	%	#	%
Low-income	0	0.0	0	0.0	0	0.0	0	0.0	
Moderate-income	0	0.0	0	0.0	0	0.0	0	0.0	
Middle-income	8,881	6,336	30.9	71.3	2,225	25.1	320	3.6	
Upper-income	20,597	14,201	69.1	68.9	5,110	24.8	1,286	6.2	
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0	
Total Assessment Area	29,478	20,537	100.0	69.7	7,335	24.9	1,606	5.4	
	Total Businesses by Tract	Businesses by Tract & Revenue Size							
		Less Than or = \$1 Million				Over \$1 Million		Revenue Not Reported	
		#	%	#	%	#	%	#	%
Low-income	0	0.0	0	0.0	0	0.0	0	0.0	
Moderate-income	0	0.0	0	0.0	0	0.0	0	0.0	
Middle-income	1,459	28.3	1,313	28.6	80	22.5	66	32.0	
Upper-income	3,697	71.7	3,281	71.4	276	77.5	140	68.0	
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0	
Total Assessment Area	5,156	100.0	4,594	100.0	356	100.0	206	100.0	
Percentage of Total Businesses:				89.1		6.9		4.0	
	Total Farms by Tract	Farms by Tract & Revenue Size							
		Less Than or = \$1 Million				Over \$1 Million		Revenue Not Reported	
		#	%	#	%	#	%	#	%
Low-income	0	0.0	0	0.0	0	0.0	0	0.0	
Moderate-income	0	0.0	0	0.0	0	0.0	0	0.0	
Middle-income	9	17.3	9	17.3	0	0.0	0	0.0	
Upper-income	43	82.7	43	82.7	0	0.0	0	0.0	
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0	
Total Assessment Area	52	100.0	52	100.0	0	.0	0	.0	
Percentage of Total Farms:				100.0		.0		.0	

Based on 2012 D&B information according to 2010 ACS Boundaries.

**CONCLUSION WITH RESPECT TO PERFORMANCE TEST IN
CANTON-MASSILLON, OHIO MSA 15940**

Lending Test

During this evaluation period, CSB made a total of 25 loans within this assessment area. CSB originated ten HMDA loans (five loans in middle- and five loans in upper-income tracts). CSB also originated 11 small business loans (two loans in middle- and nine loans in upper-income tracts), with eight of the loans being made to businesses with revenues of \$1 million or less. Also, CSB originated four consumer loans (two loans to middle-income tracts and two loans in upper-income tracts).

The bank's lending performance in this assessment area was consistent with its overall lending performance.

Community Development Test

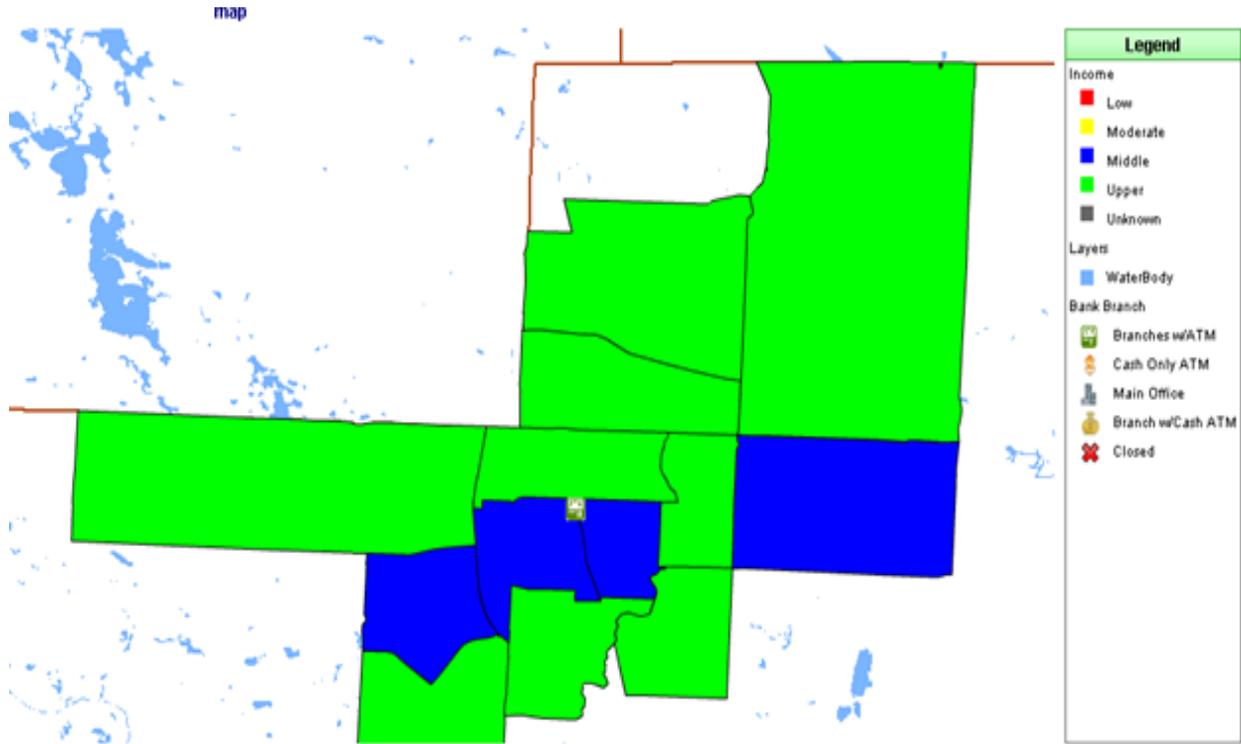
In regards to community services, an officer of the bank provides community development services to the Stark County Hunger Task Force by serving on the Finance Committee.

The bank's community development performance in this assessment area was below its overall community development performance.

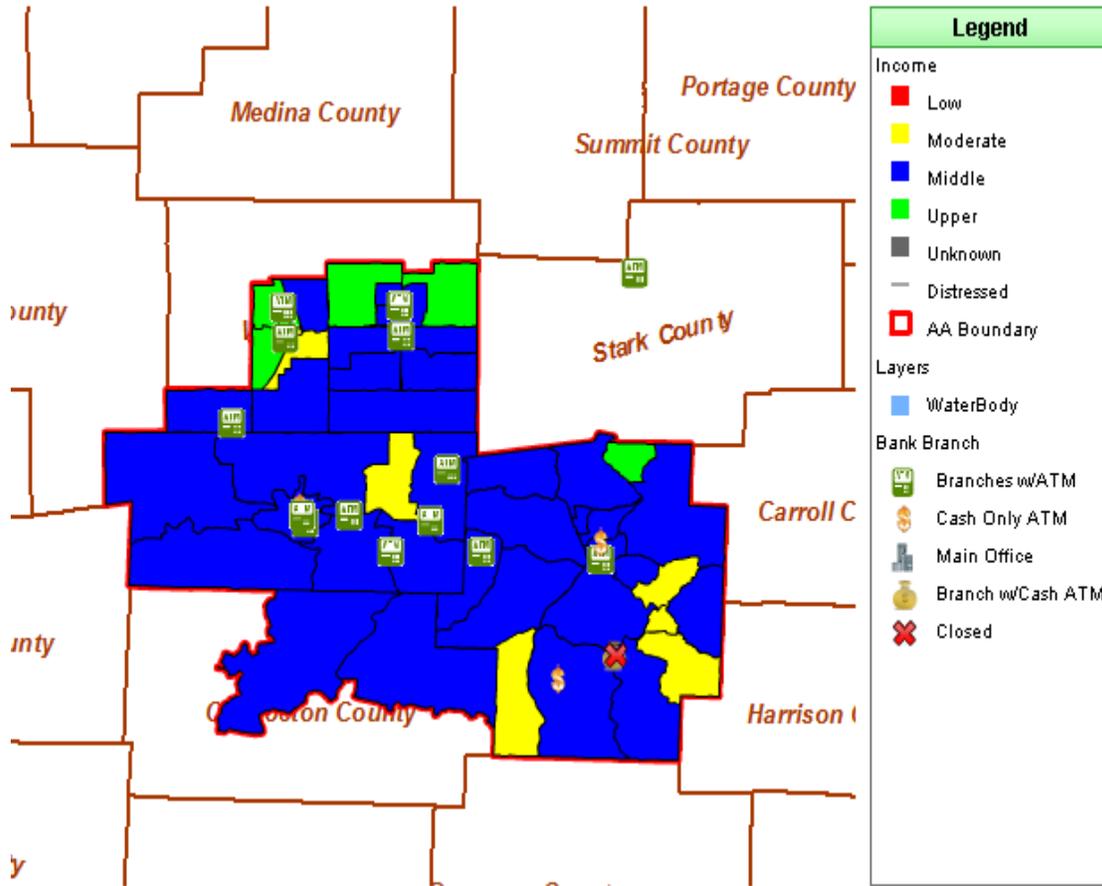
APPENDIX A

ASSESSMENT AREA MAP

Assessment Area: Canton-Massillon MSA



Assessment Area: Non-MSA Ohio



APPENDIX B

LENDING TABLES

HMDA Loan Distribution Table

Exam: Millersburg 2013

Assessment Area/Group :Non MSA Ohio 2012

Income Categories	HMDA							
	By Tract Income				By Borrower Income			
	#	%	\$(000s)	%	#	%	\$(000s)	%
	Home Purchase							
Low	0	0.0%	0	0.0%	7	8.2%	587	5.4%
Moderate	8	9.4%	936	8.6%	23	27.1%	1,846	17.0%
Low/Moderate Total	8	9.4%	936	8.6%	30	35.3%	2,433	22.4%
Middle	71	83.5%	9,276	85.3%	17	20.0%	1,873	17.2%
Upper	6	7.1%	658	6.1%	32	37.6%	5,796	53.3%
Unknown	0	0.0%	0	0.0%	6	7.1%	768	7.1%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	85	100.0%	10,870	100.0%	85	100.0%	10,870	100.0%
	Refinance							
Low	0	0.0%	0	0.0%	14	5.7%	797	2.6%
Moderate	14	5.7%	1,739	5.8%	47	19.0%	4,293	14.2%
Low/Moderate Total	14	5.7%	1,739	5.8%	61	24.7%	5,090	16.9%
Middle	217	87.9%	26,364	87.3%	53	21.5%	5,135	17.0%
Upper	16	6.5%	2,082	6.9%	110	44.5%	16,574	54.9%
Unknown	0	0.0%	0	0.0%	23	9.3%	3,386	11.2%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	247	100.0%	30,185	100.0%	247	100.0%	30,185	100.0%
	Home Improvement							
Low	0	0.0%	0	0.0%	3	9.7%	17	0.8%
Moderate	2	6.5%	49	2.4%	6	19.4%	211	10.1%
Low/Moderate Total	2	6.5%	49	2.4%	9	29.0%	228	11.0%
Middle	28	90.3%	1,927	92.6%	11	35.5%	842	40.5%
Upper	1	3.2%	104	5.0%	5	16.1%	693	33.3%
Unknown	0	0.0%	0	0.0%	6	19.4%	317	15.2%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	31	100.0%	2,080	100.0%	31	100.0%	2,080	100.0%
	Multi-Family							
Low	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Moderate	1	33.3%	1,311	40.7%	0	0.0%	0	0.0%
Low/Moderate Total	1	33.3%	1,311	40.7%	0	0.0%	0	0.0%
Middle	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Upper	2	66.7%	1,914	59.3%	0	0.0%	0	0.0%
Unknown	0	0.0%	0	0.0%	3	100.0%	3,225	100.0%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	3	100.0%	3,225	100.0%	3	100.0%	3,225	100.0%
	HMDA Totals							
Low	0	0.0%	0	0.0%	24	6.6%	1,401	3.0%
Moderate	25	6.8%	4,035	8.7%	76	20.8%	6,350	13.7%
Low/Moderate Total	25	6.8%	4,035	8.7%	100	27.3%	7,751	16.7%
Middle	316	86.3%	37,567	81.0%	81	22.1%	7,850	16.9%
Upper	25	6.8%	4,758	10.3%	147	40.2%	23,063	49.7%
Unknown	0	0.0%	0	0.0%	38	10.4%	7,696	16.6%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	366	100.0%	46,360	100.0%	366	100.0%	46,360	100.0%

*Information based on 2010 ACS data

HMDA Loan Distribution Table

Exam: Millersburg 2013

Assessment Area/Group :Canton-Massillon MSA 2012

Income Categories	HMDA							
	By Tract Income				By Borrower Income			
	#	%	\$(000s)	%	#	%	\$(000s)	%
	Home Purchase							
Low	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Moderate	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Low/Moderate Total	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Middle	1	33.3%	93	18.4%	0	0.0%	0	0.0%
Upper	2	66.7%	413	81.6%	2	66.7%	170	33.6%
Unknown	0	0.0%	0	0.0%	1	33.3%	336	66.4%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	3	100.0%	506	100.0%	3	100.0%	506	100.0%
	Refinance							
Low	0	0.0%	0	0.0%	1	25.0%	65	12.9%
Moderate	0	0.0%	0	0.0%	1	25.0%	111	22.1%
Low/Moderate Total	0	0.0%	0	0.0%	2	50.0%	176	35.1%
Middle	3	75.0%	265	52.8%	1	25.0%	89	17.7%
Upper	1	25.0%	237	47.2%	1	25.0%	237	47.2%
Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	4	100.0%	502	100.0%	4	100.0%	502	100.0%
	Home Improvement							
Low	0	0.0%	0	0.0%	1	100.0%	80	100.0%
Moderate	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Low/Moderate Total	0	0.0%	0	0.0%	1	100.0%	80	100.0%
Middle	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Upper	1	100.0%	80	100.0%	0	0.0%	0	0.0%
Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	1	100.0%	80	100.0%	1	100.0%	80	100.0%
	Multi-Family							
Low	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Moderate	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Low/Moderate Total	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Middle	1	50.0%	1,850	76.3%	0	0.0%	0	0.0%
Upper	1	50.0%	575	23.7%	0	0.0%	0	0.0%
Unknown	0	0.0%	0	0.0%	2	100.0%	2,425	100.0%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	2	100.0%	2,425	100.0%	2	100.0%	2,425	100.0%
	HMDA Totals							
Low	0	0.0%	0	0.0%	2	20.0%	145	4.1%
Moderate	0	0.0%	0	0.0%	1	10.0%	111	3.2%
Low/Moderate Total	0	0.0%	0	0.0%	3	30.0%	256	7.3%
Middle	5	50.0%	2,208	62.9%	1	10.0%	89	2.5%
Upper	5	50.0%	1,305	37.1%	3	30.0%	407	11.6%
Unknown	0	0.0%	0	0.0%	3	30.0%	2,761	78.6%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	10	100.0%	3,513	100.0%	10	100.0%	3,513	100.0%

*Information based on 2010 ACS data

CRA Loan Distribution Table

Exam: Millersburg 2013

Assessment Area/Group: Non MSA Ohio 2012

Income Categories	SMALL BUSINESS				SMALL FARM			
	#	%	\$(000s)	%	#	%	\$(000s)	%
By Tract Income								
Low	1	0.3%	10	0.0%	0	0.0%	0	0.0%
Moderate	30	8.7%	9,625	17.1%	0	0.0%	0	0.0%
Low/Moderate Total	31	9.0%	9,635	17.1%	0	0.0%	0	0.0%
Middle	301	87.8%	43,605	77.4%	0	0.0%	0	0.0%
Upper	11	3.2%	3,115	5.5%	0	0.0%	0	0.0%
Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	343	100.0%	56,355	100.0%	0	0.0%	0	0.0%
By Revenue								
Total \$1 Million or Less	238	69.4%	29,047	51.5%	0	0.0%	0	0.0%
Over \$1 Million	90	26.2%	27,276	48.4%	0	0.0%	0	0.0%
Not Known	15	4.4%	32	0.1%	0	0.0%	0	0.0%
Total	343	100.0%	56,355	100.0%	0	0.0%	0	0.0%
By Loan Size								
\$100,000 or less	225	65.6%	7,511	13.3%	0	0.0%	0	0.0%
\$100,001 - \$250,000	65	19.0%	10,621	18.8%	0	0.0%	0	0.0%
\$250,001 - \$1 Million (Bus)-\$500k (Farm)	46	13.4%	21,767	38.6%	0	0.0%	0	0.0%
Over \$1 Million (Bus)-\$500k (Farm)	7	2.0%	16,457	29.2%	0	0.0%	0	0.0%
Total	343	100.0%	56,355	100.0%	0	0.0%	0	0.0%
By Loan Size and Revenue \$1 Million or Less								
\$100,000 or less	179	75.2%	5,552	19.1%	0	0.0%	0	0.0%
\$100,001 - \$250,000	35	14.7%	5,334	18.4%	0	0.0%	0	0.0%
\$250,001 - \$1 Million (Bus)-\$500k (Farm)	20	8.4%	10,161	35.0%	0	0.0%	0	0.0%
Over \$1 Million (Bus)-\$500k (Farm)	4	1.7%	8,002	27.5%	0	0.0%	0	0.0%
Total	238	100.0%	29,047	100.0%	0	0.0%	0	0.0%

*Information based on 2010 ACS data

CRA Loan Distribution Table

Exam: Millersburg 2013

Assessment Area/Group: Canton-Massillon MSA 2012

Income Categories	SMALL BUSINESS				SMALL FARM			
	#	%	\$(000s)	%	#	%	\$(000s)	%
By Tract Income								
Low	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Moderate	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Low/Moderate Total	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Middle	2	18.2%	1,147	29.5%	0	0.0%	0	0.0%
Upper	9	81.8%	2,738	70.5%	0	0.0%	0	0.0%
Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	11	100.0%	3,885	100.0%	0	0.0%	0	0.0%
By Revenue								
Total \$1 Million or Less	8	72.7%	2,450	63.1%	0	0.0%	0	0.0%
Over \$1 Million	3	27.3%	1,435	36.9%	0	0.0%	0	0.0%
Not Known	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	11	100.0%	3,885	100.0%	0	0.0%	0	0.0%
By Loan Size								
\$100,000 or less	4	36.4%	268	6.9%	0	0.0%	0	0.0%
\$100,001 - \$250,000	3	27.3%	406	10.5%	0	0.0%	0	0.0%
\$250,001 - \$1 Million (Bus)-\$500k (Farm)	3	27.3%	1,911	49.2%	0	0.0%	0	0.0%
Over \$1 Million (Bus)-\$500k (Farm)	1	9.1%	1,300	33.5%	0	0.0%	0	0.0%
Total	11	100.0%	3,885	100.0%	0	0.0%	0	0.0%
By Loan Size and Revenue \$1 Million or Less								
\$100,000 or less	2	25.0%	133	5.4%	0	0.0%	0	0.0%
\$100,001 - \$250,000	3	37.5%	406	16.6%	0	0.0%	0	0.0%
\$250,001 - \$1 Million (Bus)-\$500k (Farm)	3	37.5%	1,911	78.0%	0	0.0%	0	0.0%
Over \$1 Million (Bus)-\$500k (Farm)	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	8	100.0%	2,450	100.0%	0	0.0%	0	0.0%

*Information based on 2010 ACS data

Consumer Loan Distribution Table

Exam: Millersburg 2013

Assessment Area/Group :Non MSA Ohio 2012

	CONSUMER LOANS							
	By Tract Income				By Borrower Income			
	#	%	\$(000s)	%	#	%	\$(000s)	%
	Consumer Loans							
Low	0	0.0%	0	0.0%	120	30.3%	662	20.7%
Moderate	24	6.1%	152	4.7%	95	24.0%	690	21.6%
Low/Moderate Total	24	6.1%	152	4.7%	215	54.3%	1,352	42.3%
Middle	356	89.9%	2,913	91.1%	66	16.7%	579	18.1%
Upper	16	4.0%	131	4.1%	58	14.6%	691	21.6%
Unknown	0	0.0%	0	0.0%	57	14.4%	574	18.0%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	396	100.0%	3,196	100.0%	396	100.0%	3,196	100.0%
	Home Equity							
Low	0	0.0%	0	0.0%	18	8.7%	802	6.8%
Moderate	8	3.9%	469	4.0%	72	34.8%	3,581	30.2%
Low/Moderate Total	8	3.9%	469	4.0%	90	43.5%	4,383	36.9%
Middle	184	88.9%	10,829	91.3%	52	25.1%	2,869	24.2%
Upper	15	7.2%	568	4.8%	61	29.5%	4,425	37.3%
Unknown	0	0.0%	0	0.0%	4	1.9%	190	1.6%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	207	100.0%	11,867	100.0%	207	100.0%	11,867	100.0%
	Consumer Loan Totals							
Low	0	0.0%	0	0.0%	138	22.9%	1,464	9.7%
Moderate	32	5.3%	621	4.1%	167	27.7%	4,271	28.4%
Low/Moderate Total	32	5.3%	621	4.1%	305	50.6%	5,734	38.1%
Middle	540	89.6%	13,743	91.2%	118	19.6%	3,448	22.9%
Upper	31	5.1%	700	4.6%	119	19.7%	5,116	34.0%
Unknown	0	0.0%	0	0.0%	61	10.1%	764	5.1%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	603	100.0%	15,063	100.0%	603	100.0%	15,063	100.0%

Consumer Loan Distribution Table

Exam: Millersburg 2013

Assessment Area/Group :Canton-Massillon MSA 2012

	CONSUMER LOANS							
	By Tract Income				By Borrower Income			
	#	%	\$(000s)	%	#	%	\$(000s)	%
	Consumer Loans							
Low	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Moderate	0	0.0%	0	0.0%	2	66.7%	19	77.4%
Low/Moderate Total	0	0.0%	0	0.0%	2	66.7%	19	77.4%
Middle	1	33.3%	5	21.7%	0	0.0%	0	0.0%
Upper	2	66.7%	20	78.3%	1	33.3%	6	26.4%
Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	3	100.0%	25	100.0%	3	100.0%	25	103.8%
	Home Equity							
Low	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Moderate	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Low/Moderate Total	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Middle	1	100.0%	17	100.0%	0	0.0%	0	0.0%
Upper	0	0.0%	0	0.0%	1	100.0%	17	102.4%
Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	1	100.0%	17	100.0%	1	100.0%	17	102.4%
	Consumer Loan Totals							
Low	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Moderate	0	0.0%	0	0.0%	2	50.0%	19	44.2%
Low/Moderate Total	0	0.0%	0	0.0%	2	50.0%	19	44.2%
Middle	2	50.0%	23	53.9%	0	0.0%	0	0.0%
Upper	2	50.0%	20	46.1%	2	50.0%	24	56.5%
Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	4	100.0%	42	100.0%	4	100.0%	42	100.7%

APPENDIX C

GLOSSARY OF TERMS

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, Investment, and Service Tests 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 refinancing 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, Investment, and Service Tests 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.