



**CRA Public File**



To our community,

Thank you so much for taking an interest in reviewing The Farmers Bank's Community Reinvestment Act (CRA) public file. The Farmers Bank is committed to meeting the credit needs of this community, and this public file folder contains information regarding the bank's performance to helping meet those credit needs, including the needs of low- and moderate-income individual, low- and moderate-income neighborhoods, small businesses, and small farms. The contents of this folder include:

- The Farmers Bank's most recent Community Reinvestment Act Performance Evaluation;
- The Bank's loan-to-deposit ratio for each quarter since the previous CRA Performance Evaluation;
- Any and all CRA public comments received and the Bank's responses (as applicable);
- A listing of our Bank location and hours of operations;
- Information about the bank's assessment area, including associated income tract level data along with a map of the assessment area;
- A list of services offered, which contains a listing of credit products and a *Deposit Account Information* brochure; and
- A *Fees & Services* schedule detailing the deposit fees/service charges, safe deposit box fees, and loan fees/service charges.

If you have any questions regarding the information contained within this file, please contact Aaron O'Tuel, Vice President, CRA Officer.

Mark Aaron O'Tuel

Aaron O'Tuel, Vice President, CRA Officer

# **PUBLIC DISCLOSURE**

May 6, 2019

## **COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION**

The Farmers Bank  
Certificate Number: 5709

202 South Main Street  
Greensboro, Georgia, 30642

Federal Deposit Insurance Corporation  
Division of Depositor and Consumer Protection  
Atlanta Regional Office

10 10<sup>th</sup> Street NE, Suite 800  
Atlanta, Georgia 30309-3949

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 RATING

**INSTITUTION'S CRA RATING:** This institution is rated **Satisfactory**. An institution in this group has a satisfactory record of helping to meet the credit needs of its assessment areas, including low- and moderate-income neighborhoods, in a manner consistent with its resources and capabilities.

The Farmers Bank's satisfactory Community Reinvestment Act (CRA) performance under the Lending Test supports the overall rating. Examiners did not identify any evidence of discriminatory or other illegal credit practices. The following points summarize the bank's Lending Test performance.

- The loan-to-deposit ratio is reasonable given the institution's size, financial condition, and assessment areas' credit needs.
- The bank originated a majority of its small business and home mortgage loans inside the assessment area.
- The geographic distribution of loans reflects excellent dispersion throughout the assessment area.
- The bank's distribution of borrowers reflects an excellent penetration of loans to individuals of different income levels and businesses of different sizes.
- The institution has not received any CRA-related complaints since the previous evaluation as of June 26, 2013; therefore, this factor did not affect the Lending Test rating.

## **SCOPE OF EVALUATION**

### **General Information**

This evaluation covers the period from the prior evaluation dated June 26, 2013, to the current evaluation dated May 6, 2019. Examiners used the Federal Financial Institution Examination Council's (FFIEC) Interagency Small Institution Examination Procedures to evaluate The Farmers Bank's CRA performance. These procedures include the CRA Small Bank Lending Test.

The Lending Test considered the institution's performance based on the following criteria:

- Loan-to-deposit ratio,
- Assessment area concentration,
- Geographic distribution,
- Borrower profile, and
- Response to CRA-related complaints.

### **Loan Products Reviewed**

Examiners determined the bank's major product lines are small business loans and home mortgage loans. This conclusion considered the bank's business strategy and portfolio composition. Bank records indicated that the lending focus has remained consistent throughout the evaluation period.

The bank's record of originating small business loans contributed more weight to the overall conclusions, since this product comprises the largest portion of the portfolio throughout the evaluation period. Although home mortgage lending represents a larger volume of loans during the last calendar year, it is not representative of the bank's lending strategy throughout the evaluation period. The December 31, 2018, Report of Condition and Income (Call Report) reflects that commercial loans (loans secured by non-farm, non-residential properties and commercial and industrial loans) are the bank's primary product type at 49.3 percent, followed by home mortgage lending at 27.0 percent. No other loan type, such as small farm or consumer loans, represent a major product line. Therefore, they provided no material support for conclusions or the rating and are not presented.

The table on the following page shows the bank's originations from January 1, 2018, through December 31, 2018, by loan type.

<b>Loans Originated or Purchased</b>				
<b>Loan Category</b>	<b>\$(000s)</b>	<b>%</b>	<b>#</b>	<b>%</b>
Construction and Land Development	2,156	9.5	18	9.7
Secured by Farmland	316	1.4	4	2.1
1-4 Family Residential	7,561	33.2	66	35.5
Commercial Real Estate	704	3.1	11	5.9
Agricultural Production	141	0.6	4	2.1
Commercial and Industrial	434	1.9	12	6.5
Consumer	432	1.9	69	37.1
Other	11,005	48.4	2	1.1
<b>Total Loans</b>	<b>22,749</b>	<b>100.0</b>	<b>186</b>	<b>100.0</b>
<i>Source: Bank Records 01/01/2018 through 12/31/2018</i>				

Regarding the business loan analysis, a small business loan is defined as a loan originated in an amount of \$1 million or less and included in the Call Report categories of loans secured by non-farm, non-residential properties and commercial and industrial loans. From January 1, 2018, to December 31, 2018, the bank originated 23 small business loans totaling \$1,137,603. Examiners used the entire universe to evaluate the bank's performance during the evaluation period. Dunn & Bradstreet (D&B) business demographic data for 2018 was used for comparison purposes.

The Farmers Bank is not subject to the Home Mortgage Disclosure Act (HMDA), thus it is not required to collect and report certain data concerning applications for home purchase, home refinance, and home improvement loans. As a result, examiners selected a sample of closed-end home mortgage loans originated in the period from January 1, 2017, through December 31, 2018. The 2018 mortgage loan sample, confirmed by management, was not considered representative of the bank's performance during the entire evaluation period. Therefore, examiners expanded the mortgage loan sample to include the 2017 calendar year, which is considered representative of the entire evaluation period. During the 2018 calendar year, the bank originated 48 closed-end home mortgage loans totaling \$6,658,992, of which examiners selected a sample of 32 loans totaling \$4,422,921 for review. In 2017, the bank originated 33 closed-end home mortgage loans totaling \$3,072,569, of which, the entire universe was reviewed. The percentage of families by income level and percentage of owner-occupied housing units by geography obtained from the 2015 American Community Survey (ACS) data were used for comparison purposes.

While the number and dollar volume of loans are presented, the analyses focused on the number of small business loans and home mortgage loans originated rather than the dollar volume, as the number of loans is a better indicator of the number of businesses and individuals served.

## **DESCRIPTION OF INSTITUTION**

### **Background**

The Farmers Bank is a community bank headquartered in Greensboro, Georgia. The bank is a wholly owned subsidiary of Putnam-Greene Financial Corporation, a multi-bank holding company headquartered in Eatonton, Georgia. The bank is affiliated with three other banks through common ownership; Farmers & Merchants Bank, Eatonton, Georgia; First Bank of Coastal Georgia, Pembroke, Georgia; and The Citizens Bank of Cochran, Cochran, Georgia.

The institution received a Satisfactory rating at its previous FDIC Performance Evaluation, dated June 26, 2013, based on Interagency Small Institution Examination Procedures.

### **Operations**

The Farmers Bank operates one full-service office with a drive-through facility in Greene County, Georgia. The bank closed a branch office at 710 Sibley Avenue, Union Point, Georgia on April 21, 2017. There has been no merger or acquisition activity since the prior evaluation.

The bank offers an array of lending and deposit products to help meet the needs of individuals and businesses in the assessment area. The lending focus is multi-faceted, with an emphasis on commercial lending. Commercial loans include construction and land development, commercial real estate, residential income producing, lines of credit, agricultural, farm, and various secured and unsecured term loans. Consumer loan products offered include fixed rate 1-4 family residential balloon mortgage loans, as well various secured and unsecured personal loan options. Also, the institution offers a variety of business and consumer deposit accounts, including checking, savings, and money market deposit accounts, along with certificates of deposit.

Other services offered include safe deposit boxes, cashier's checks, savings bond redemption, wire transfers, electronic statements, and direct deposits. Further, alternative delivery systems to make financial services more accessible to customers include automatic teller machines (ATMs), online banking and bill payment, mobile banking, and telephone banking. The bank's website, [www.farmbk.com](http://www.farmbk.com), provides information on available products and services offered.

### **Ability and Capacity**

As of December 31, 2018, The Farmers Bank's assets totaled \$110,968,000 and loans totaled \$43,757,000. Loans represent 39.4 percent of total assets. The loan portfolio as of the December 31, 2018, Call Report is illustrated in the following table.

<b>Loan Portfolio Distribution as of 12/31/2018</b>		
<b>Loan Category</b>	<b>\$(000s)</b>	<b>%</b>
Construction and Land Development	5,838	13.3
Secured by Farmland	1,472	3.4
Secured by 1-4 Family Residential Properties	11,808	27.0
Multi-family (5 or more) Residential Properties	1,185	2.7
Secured by Nonfarm Nonresidential Properties	10,749	24.6
<b>Total Real Estate Loans</b>	<b>31,052</b>	<b>71.0</b>
Commercial and Industrial Loans	10,794	24.7
Agricultural Loans	144	0.3
Consumer Loans	694	1.6
Other Loans	1,136	2.6
Less: Unearned Income	(63)	(0.2)
<b>Total Loans</b>	<b>43,757</b>	<b>100.0</b>
<i>Source: 12/31/2018 Report of Condition and Income</i>		



The Farmers Bank provides for the credit needs of its community in a manner consistent with its size, financial condition, resources, and local economic conditions. There are no financial or legal impediments that affect the bank's ability to meet the assessment area credit needs; however, weak loan demand and high competition limit available lending opportunities.

## **DESCRIPTION OF ASSESSMENT AREA**

The CRA requires each financial institution to define one or more assessment area(s) within which its CRA performance will be evaluated. The Farmers Bank has delineated one assessment area, Greene County, Georgia, which is located in the Non-Metropolitan Statistical Area (Non-MSA) portion of Georgia. The following sections discuss demographic and economic information for the assessment area.

### **Economic and Demographic Data**

The assessment area includes all seven census tracts in Greene County, Georgia. The assessment area has not changed since the previous evaluation. However, the demographic composition of the assessment area changed due to the 2015 ACS data released by the FFIEC in July 2017. The ACS updated the 2010 U.S. Census based on information collected from 2011 through 2015. As a result, income characteristics of some census tracts were reclassified beginning in 2017. Specifically, one moderate-income tract was reclassified as a middle-income tract and two middle-income tracts were reclassified as upper-income tracts. Refer to the below table.

<b>Assessment Area Geographies – 2016</b>					
<b>Tract Income Level</b>	<b>Low-Income</b>	<b>Moderate-Income</b>	<b>Middle-Income</b>	<b>Upper-Income</b>	<b>Total</b>
	<b>0</b>	<b>2</b>	<b>4</b>	<b>1</b>	<b>7</b>
<i>Source: 2010 U. S. Census Data</i>					

<b>Assessment Area Geographies – 2017</b>					
<b>Tract Income Level</b>	<b>Low-Income</b>	<b>Moderate-Income</b>	<b>Middle-Income</b>	<b>Upper-Income</b>	<b>Total</b>
	<b>0</b>	<b>1</b>	<b>3</b>	<b>3</b>	<b>7</b>
<i>Source: 2015 ACS Data</i>					

### ***Distressed Non-Metropolitan Middle-Income Geographies***

The FFIEC designates a non-metropolitan middle-income geography as distressed if it is in a county that meets one or more of the following triggers: 1) an unemployment rate of at least 1.5 times the national average; 2) a poverty rate of 20.0 percent or more; or 3) a population loss of 10.0 percent or more between the previous and most recent decennial census or a net migration loss of 5.0 percent or more over the 5-year period preceding the most recent census. When a distressed census tract has been identified, the Federal financial institution agencies apply a one-year lag period for geographies that were listed in the prior year but are no longer designated as distressed or underserved in the current year.

The Farmers Bank assessment area currently includes three middle-income census tracts, each of which were designated as distressed due to poverty in 2017, with the designation carrying forward to 2018.

The following table illustrates select demographic characteristics of the assessment area.

Demographic Information of the Assessment Area Greene County, Georgia						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	7	0.0	14.3	42.9	42.9	0.0
Population by Geography	16,331	0.0	26.0	35.2	38.8	0.0
Housing Units by Geography	8,938	0.0	21.5	31.5	47.0	0.0
Owner-Occupied Units by Geography	4,820	0.0	14.8	34.5	50.7	0.0
Occupied Rental Units by Geography	1,887	0.0	50.4	31.7	17.9	0.0
Vacant Units by Geography	2,231	0.0	11.5	24.9	63.6	0.0
Businesses by Geography	1,441	0.0	27.1	16.1	56.8	0.0
Farms by Geography	64	0.0	28.1	28.1	43.8	0.0
Family Distribution by Income Level	4,701	21.3	13.7	16.2	48.9	0.0
Household Distribution by Income Level	6,707	24.3	13.8	13.3	48.7	0.0
Median Family Income Non-MSA Georgia		\$45,816	Median Housing Value			\$268,670
			Median Gross Rent			\$669
			Families Below Poverty Level			17.6%
Source: 2015 ACS Census and 2018 D&B Data; Due to rounding, totals may not equal 100.0; (*) The NA category consists of geographies that have not been assigned an income classification.						

According to the 2018 D&B data, there were 1,441 non-farm businesses in the assessment area. Gross annual revenues (GARs) for these businesses are detailed below.

- 82.9 percent have \$1 million or less,
- 4.2 percent have more than \$1 million, and
- 12.9 percent have unknown revenues.

The analysis of small business loans under the Borrower Profile criterion compares the distribution of businesses by GAR level.

Service industries represent the largest portion of businesses at 43.2 percent, followed by finance, insurance, and real estate at 11.9 percent; retail trade at 11.0 percent; non-classifiable establishments at 10.4 percent; and construction at 6.3 percent. Additionally, 88.0 percent of all businesses operate out of a single location; 70.2 percent employ between 1 and 4 employees; and 91.0 percent operate from property they own.

According to 2015 ACS data, there are 8,938 housing units in the assessment area. Of these, 53.9 percent are owner-occupied, 21.1 percent are occupied rental, and 25.0 percent are vacant. The Geographic Distribution criterion compares home mortgage loans to the distribution of owner-occupied housing units.

The 2017 and 2018 FFIEC-updated median family income levels are used to analyze home mortgage loans under the Borrower Profile criterion. These categories are based on the 2017 FFIEC-updated median family income of \$46,500, and the 2018 FFIEC-updated median family income of \$48,900 for the Non-MSA portion of the State of Georgia. The low-, moderate-, middle-, and upper-income categories are presented in the following table.

<b>Median Family Income Ranges</b>				
<b>Median Family Incomes</b>	<b>Low &lt;50%</b>	<b>Moderate 50% to &lt;80%</b>	<b>Middle 80% to &lt;120%</b>	<b>Upper ≥120%</b>
<b>Median Family Income (Non-MSA State of Georgia)</b>				
2017 (\$46,500)	<\$23,250	\$23,250 to <\$37,200	\$37,200 to <\$55,800	≥\$55,800
2018 (\$48,900)	<\$24,450	\$24,450 to <\$39,120	\$39,120 to <\$58,680	≥\$58,680
<i>Source: FFIEC</i>				

### ***Greene County***

Greene County is located in the northeastern quadrant of central Georgia. As of April 2019, employment conditions have improved over the past 12 months. The unemployment rate decreased to 4.4 percent but remains above the average U.S. rate of 3.8 percent. Additionally, the household job growth rate of 2.7 percent reflects an increase from the prior year and is above the average U.S. household job growth rate of 1.7 percent. The population growth rate of 2.0 percent has increased over the past 12 months and is above the average U.S. rate of 0.6 percent. The median household income increased by approximately 4.5 percent from the previous 12 months but remains below the median household income for the nation. The percentage of residents living in poverty declined by 1.2 percent from the prior year, but the percentage was still above the national average. Growth in government transfer payments, such as unemployment benefits, increased by 0.4 percent from a year ago and continues to exceed the national average. Consumer credit conditions improved from the prior year, as the personal bankruptcy filing rate decreased by 14.8 percent. Real estate conditions declined, as single-family permits growth showed a significant decline from the prior year and the housing affordability index decreased, indicating increased home prices. Major employers include the Reynolds Lake Oconee, Ritz-Carlton-Reynolds, Board of Education, and NIBCO Inc.

### **Competition**

The bank faces a high level of competition within the assessment area for financial services. According to the June 30, 2018, FDIC's Deposit Market Share data, there were seven financial institutions operating eight offices within the bank's assessment area. The Farmers Bank was ranked 2<sup>nd</sup>, with 13.9 percent of the deposit market share.

The bank is not required to collect or report its small business loan data, and it has elected not to do so. Therefore, the analysis of small business loans under the Lending Test does not include comparisons against aggregate data. However, aggregate data provides a measure of the level of demand for small business loans in the assessment area, and is included. Aggregate data for 2017 indicates 41 institutions reported 340 small business loan originations totaling \$12,218,000 within the assessment area, indicating a high degree of competition for this product. The top five institutions account for 62.9 percent of the small business market share.

There is a high level of competition for home mortgage loans among banks, credit unions, and non-depository lenders in the assessment area. As previously mentioned, the bank is not subject to the HMDA and is not required to collect or report data on residential mortgage lending activities. Therefore, the analysis of home mortgage loans does not include comparisons to aggregate data. However, aggregate data reflects the level of demand for home mortgage loans and is included. Aggregate data for 2017 reflects that 161 lenders originated 736 loans totaling \$275,416,000, indicating a high degree of competition in the assessment area. The top five HMDA reporters account for 37.4 percent of the residential mortgage market share.

### **Community Contact**

As part of the CRA evaluation process, examiners contact third parties who are knowledgeable about the bank's assessment area to assist in identifying credit needs and to obtain information helpful in developing the performance context for the bank. This information also helps to determine if local financial institutions are responsive to identified credit needs.

Examiners contacted a representative from a governmental development corporation to obtain pertinent information about the assessment area. The contact discussed the largest local employers, projects in process, and local area demographics. He also indicated new residential construction activity in the county is primarily focused around Lake Oconee, with downtown Greensboro experiencing renovation /remodel activity. He indicated that as home building expands, homeowners need additional support services such as restaurants, retail trade, and maintenance companies. The establishment of businesses to provide such support services should bring additional jobs to the area and perhaps create a need for more affordable housing for the increased workforce.

Information from the community contact, bank management, and demographic and economic data indicate there are reasonable opportunities and demand for affordable housing and small businesses loans. Low- and moderate-income families constitute 35.0 percent in the assessment area, which indicates a strong need for affordable housing. Further, the data indicates sufficient opportunities for financial institutions to support activities that promote economic development by financing small businesses.

## **CONCLUSIONS ON PERFORMANCE CRITERIA**

### **LENDING TEST**

The Farmers Bank demonstrates reasonable performance under the Lending Test. Assessment Area Concentration, Geographic Distribution, and Borrower Profile performance primarily support this conclusion.

### **Loan-to-Deposit Ratio**

The average net loan-to-deposit ratio of The Farmers Bank is considered reasonable, given the institution's size, financial condition, and assessment area credit needs. The net loan-to-deposit ratio averaged 49.0 percent over the past 23 calendar quarters, from June 30, 2013, to December 31, 2018. The net loan-to-deposit ratio ranged from a low of 37.5 percent as of June 30, 2013, to a high of 67.8 percent as of September 30, 2015.

Although The Farmers Bank has competitors, none are similarly-situated in terms of total asset size, loan portfolio composition, general branching structure, and market area. As a result, the bank's average net loan-to-deposit ratio was compared to that of a peer group, defined by the Uniform Bank Performance Report (UBPR). The UBPR peer group includes insured commercial banks having assets between \$100 million and \$300 million, with 2 or fewer full service banking offices, and not located in a MSA. The bank's average net loan-to-deposit ratio of 49.0 percent is below the 65.6 percent calculated for the UBPR peer group.

In assessing the reasonableness of the bank's average net loan-to-deposit ratio, examiners reviewed the components that comprise the ratio. It was noted that the bank maintains large public deposit balances that fluctuate throughout the year, which has impacted the average net loan-to-deposit ratio. The percentage of public funds to total deposits ranged from a low of 20.5 percent in September of 2018, to a high of 42.4 percent in December 2013. The percent of public funds held by banks within the UBPR peer group ranged from a low of 10.52 percent to a high of 11.97 percent, over the same respective 23 quarters.

The bank's average net loan-to-deposit ratio was re-calculated, excluding the public deposits. The revised ratio for the same period was 72.92 percent, which is more reasonably in line with and slightly above that of the average UBPR peer group ratio of 65.6 percent.

### **Assessment Area Concentration**

The Farmers Bank originated a majority of its small business and home mortgage loans inside the assessment area. For small business loans, 78.3 percent by number were originated in the assessment area. For home mortgage loans, a combined 64.6 percent by number were originated in the assessment area. Refer to the following table for details.

Lending Inside and Outside of the Assessment Area										
Loan Category	Number of Loans				Total #	Dollars Amount of Loans				Total \$(000s)
	Inside		Outside			Inside		Outside		
	#	%	#	%		\$(000s)	%	\$(000s)	%	
Home Mortgage										
2017	30	90.9	3	9.1	33	2,852	92.8	221	7.2	3,073
2018	12	37.5	20	62.5	32	1,582	35.8	2,841	64.2	4,423
Subtotal	42	64.6	23	35.4	65	4,434	59.2	3,062	40.8	7,496
Small Business	18	78.3	5	21.7	23	858	75.4	280	24.6	1,138
Source: Home Mortgage Loans - Bank records 1/1/2017 – 12/31/2018, Small Business Loans - Bank Records 1/1/2018 – 12/31/2018										

*Source: Home Mortgage Loans - Bank records 1/1/2017 – 12/31/2018, Small Business Loans - Bank Records 1/1/2018 – 12/31/2018*

### **Geographic Distribution**

The geographic distribution of loans reflects excellent dispersion throughout the assessment area. The bank's excellent performance of small business and home mortgage lending supports this conclusion. Examiners focused on the percentage by number of loans in moderate income census tracts. Consideration was also given to loans extended in distressed middle-income census tracts. Only loans extended within the assessment area were analyzed.

### ***Small Business Loans***

The geographic distribution of small business loans reflects excellent dispersion throughout the assessment area. Small business lending in moderate- income census tracts was more than double demographics. Additionally, bank performance in distressed middle-income census tracts was in line with area demographics. Refer to the following table for details.

<b>Geographic Distribution of Small Business Loans</b>					
<b>Tract Income Level</b>	<b>% of Businesses</b>	<b>#</b>	<b>%</b>	<b>\$(000s)</b>	<b>%</b>
Moderate	27.1	12	66.6	490	57.1
Middle	16.1	3	16.7	126	14.7
Upper	56.8	3	16.7	242	28.2
<b>Total</b>	<b>100.00</b>	<b>18</b>	<b>100.0</b>	<b>858</b>	<b>100.0</b>
<i>Source: 2018 D&amp;B Data, Bank Records</i>					

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

The geographic distribution of home mortgage loans reflects excellent dispersion throughout the assessment area. Home mortgage lending in moderate-income census tracts significantly exceeded demographics in 2017 and 2018. Bank lending in distressed middle-income census tracts, while less than area demographics, is reasonable. Refer to the below table for details.

<b>Geographic Distribution of Home Mortgage Loans</b>					
<b>Tract Income Level</b>	<b>% of Owner-Occupied Housing Units</b>	<b>#</b>	<b>%</b>	<b>\$(000s)</b>	<b>%</b>
<b>Moderate</b>					
2017	14.8	17	56.7	1,207	42.3
2018	14.8	7	58.3	435	27.5
<b>Middle</b>					
2017	34.5	9	30.0	891	31.2
2018	34.5	3	25.0	284	17.9
<b>Upper</b>					
2017	50.7	4	13.3	754	26.5
2018	50.7	2	16.7	863	54.6
<b>Total</b>					
<b>2017</b>	<b>100.00</b>	<b>30</b>	<b>100.0</b>	<b>2,852</b>	<b>100.0</b>
<b>2018</b>	<b>100.00</b>	<b>12</b>	<b>100.0</b>	<b>1,582</b>	<b>100.0</b>
<i>Source: 2015 ACS Data, Bank Records</i>					

### **Borrower Profile**

The distribution of borrowers reflects an overall excellent penetration among businesses of different sizes and to individuals of different income levels. Excellent small business lending to small businesses primarily supports this conclusion and is supplemented by reasonable home mortgage lending among individuals of different income levels. Examiners focused on the percentage by number of small business loans to businesses with GARs of \$1 million or less (small businesses) and on the percentage by number of home mortgage loans to low- and moderate-income borrowers. Only loans extended within the assessment area were analyzed.

### ***Small Business Loans***

The distribution of small business loans reflects excellent penetration of loans to small businesses. As noted in the below table, 94.4 percent of small business loans were originated to businesses with GARs of \$1 million or less. Bank performance far exceeds the percent of businesses in this revenue category, 82.9 percent. Additional analysis also revealed that 83.3 percent of the number of small business loans were to businesses that had GARs of less than \$250,000, indicating the bank's willingness to lend to very small businesses.

<b>Distribution of Small Business Loans by Gross Annual Revenue Category</b>					
<b>Gross Annual Revenues</b>	<b>% of Businesses</b>	<b>#</b>	<b>%</b>	<b>\$(000s)</b>	<b>%</b>
≤ \$1,000,000	82.9	17	94.4	714	83.2
> \$1,000,000	4.2	1	5.6	144	16.8
Revenue Not Available	12.9	0	0.0	0	0.0
<b>Total</b>	<b>100.00</b>	<b>18</b>	<b>100.0</b>	<b>858</b>	<b>100.0</b>
<i>Source: 2018 D&amp;B Data, Bank Records</i>					

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

The distribution of home mortgage loans to individuals of different income levels, including low- and moderate-income borrowers, is reasonable, considering competition and limited lending opportunities within the assessment area.

In 2017, the bank originated one home mortgage loan to a low-income borrower; bank performance at 3.3 percent was significantly lower than the percentage of low-income families in the assessment area, 21.3 percent. However, it is noted that 17.6 percent of assessment area families live below the poverty level and would not likely qualify for traditional mortgage products. After adjusting the percentage of low-income families to remove the families below the poverty level, 4.5 percent of low-income families have income levels that may qualify for home mortgage loans; bank performance at 3.3 percent then more favorably compares to the adjusted demographics. In 2018, no home mortgage loans were made to low-income borrowers.

In 2017, home mortgage lending to moderate-income borrowers was 10.0 percent and slightly below area demographics of 13.7 percent. In 2018, the bank originated one loan to a moderate-income borrower. Bank lending at 8.3 percent also was below area demographics.

As the bank is not a HMDA reporter, aggregate data (the lending of other HMDA reporters within the assessment area) is not used as a direct comparison to bank home mortgage lending. However, a discussion of aggregate lending data is provided to show loan demand and competition in the assessment area. Aggregate home mortgage lending data for 2017 reflects that only 0.7 percent of all home mortgage applications were received from low-income applicants and only 3.1 percent were received from moderate-income applicants. Also, no individual HMDA lender originated more than two loans to low-income applicants and no more than three loans to moderate-income borrowers. This indicates that there are limited lending opportunities to extend home mortgage loans to low- and moderate-income borrowers within the assessment area. Please refer to the below table for additional details.

Distribution of Home Mortgage Loans by Borrower Income Level					
Borrower Income Level	% of Families	#	%	\$(000s)	%
<b>Low</b>					
2017	21.3	1	3.3	108	3.8
2018	21.3	0	0.0	0	0.0
<b>Moderate</b>					
2017	13.7	3	10.0	301	10.6
2018	13.7	1	8.3	50	3.2
<b>Middle</b>					
2017	16.2	5	16.7	266	9.3
2018	16.2	2	16.7	45	2.8
<b>Upper</b>					
2017	48.9	21	70.0	2,177	76.3
2018	48.9	9	75.0	1,487	94.0
<b>Total</b>					
<b>2017</b>	<b>100.0</b>	<b>30</b>	<b>100.0</b>	<b>2,852</b>	<b>100.0</b>
<b>2018</b>	<b>100.0</b>	<b>12</b>	<b>100.0</b>	<b>1,582</b>	<b>100.0</b>

*Source: 2015 ACS Data, Bank Records; Due to rounding, totals may not equal 100.0.*

### **Response to Complaints**

The bank did not receive any CRA-related complaints since the previous evaluation; therefore, this criterion did not affect the Lending Test rating.

## **DISCRIMINATORY OR OTHER ILLEGAL CREDIT PRACTICES REVIEW**

Examiners did not identify any evidence of discriminatory or other illegal credit practices; therefore, this consideration did not affect the institution's CRA rating.



## GLOSSARY

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

**Area Median Income:** The median family income for the MSA, if a person or geography is located in an MSA; or the statewide nonmetropolitan median family income, if a person or geography is located outside an MSA.

**Assessment Area:** A geographic area delineated by the bank under the requirements of the Community Reinvestment Act.

**Census Tract:** A small, relatively permanent statistical subdivision of a county or equivalent entity. The primary purpose of census tracts is to provide a stable set of geographic units for the presentation of statistical data. Census tracts generally have a population size between 1,200 and 8,000 people, with an optimum size of 4,000 people. Census tract boundaries generally follow visible and identifiable features, but they may follow nonvisible legal boundaries in some instances. State and county boundaries always are census tract boundaries.

**Combined Statistical Area (CSA):** A combination of several adjacent metropolitan statistical areas or micropolitan statistical areas or a mix of the two, which are linked by economic ties.

**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.

**Core Based Statistical Area (CBSA):** The county or counties or equivalent entities associated with at least one core (urbanized area or urban cluster) of at least 10,000 population, plus adjacent counties having a high degree of social and economic integration with the core as measured through commuting ties with the counties associated with the core. Metropolitan and Micropolitan Statistical Areas are the two categories of CBSAs.

**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. Other family 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).

**Family Income:** Includes the income of all members of a family that are age 15 and older.

**FFIEC-Estimated Income Data:** The Federal Financial Institutions Examination Council (FFIEC) issues annual estimates which update median family income from the metropolitan and nonmetropolitan areas. The FFIEC uses American Community Survey data and factors in information from other sources to arrive at an annual estimate that more closely reflects current economic conditions.

**Full-Scope Review:** A full-scope review is accomplished when examiners complete all applicable interagency examination procedures for an assessment area. Performance under applicable tests is analyzed considering performance context, quantitative factors (for example, geographic distribution, borrower profile, 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 applicants; the amount of loan requested; and the disposition of the application (approved, denied, and withdrawn).

**Home Mortgage Disclosure Loan Application Register (HMDA LAR):** The HMDA LARs record all applications received for residential purchase, refinance, home improvement, and temporary-to-permanent construction loans.

**Home Mortgage Loans:** Includes home purchase and home improvement loans as defined in the HMDA regulation. This definition also includes multi-family (five or more families) dwelling loans, loans to purchase manufactured homes, and refinancings of home improvement and home purchase loans.

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

**Household Income:** Includes the income of the householder and all other persons that are age 15 and older in the household, whether related to the householder or not. Because many households are only one person, median household income is usually less than median family income.

**Housing Unit:** Includes a house, an apartment, a mobile home, a group of rooms, or a single room that is occupied as separate living quarters.

**Limited-Scope Review:** A limited scope review is accomplished when examiners do not complete all applicable interagency examination procedures for an assessment area. Performance under applicable tests is often analyzed using only quantitative factors (for example, geographic distribution, borrower profile, 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.

**Median Income:** The median income divides the income distribution into two equal parts, one having incomes above the median and other having incomes below the median.

**Metropolitan Division (MD):** A county or group of counties within a CBSA that contain(s) an urbanized area with a population of at least 2.5 million. A MD is one or more main/secondary counties representing an employment center or centers, plus adjacent counties associated with the main/secondary county or counties through commuting ties.

**Metropolitan Statistical Area (MSA):** CBSA associated with at least one urbanized area having a population of at least 50,000. The MSA comprises the central county or counties or equivalent entities containing the core, plus adjacent outlying counties having a high degree of social and economic integration with the central county or counties as measured through commuting.

**Micropolitan Statistical Area:** CBSA associated with at least one urbanized area having a population of at least 10,000, but less than 50,000.

**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 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 and less than 80 percent in the case of a geography.

**Multi-family:** Refers to a residential structure that contains five or more units.

**Nonmetropolitan Area:** All areas outside of metropolitan areas. The definition of nonmetropolitan area is not consistent with the definition of rural areas. Urban and rural classifications cut across the other hierarchies. For example, there is generally urban and rural territory within metropolitan and nonmetropolitan areas.

**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.

**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.

**Rural Area:** Territories, populations, and housing units that are not classified as urban.

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

**Small Farm Loan:** 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, including farm residential and other improvements, or are classified as loans to finance agricultural production and other loans to farmers.

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

**Urban Area:** All territories, populations, and housing units in urbanized areas and in places of 2,500 or more persons outside urbanized areas. More specifically, "urban" consists of territory, persons, and housing units in places of 2,500 or more persons incorporated as cities, villages, boroughs (except in Alaska and New York), and towns (except in the New England states, New York, and Wisconsin).

"Urban" excludes the rural portions of "extended cities"; census designated place of 2,500 or more persons; and other territory, incorporated or unincorporated, including in urbanized areas.



## Loan-to-Deposit (LTD) Ratio

Date	LTD Ratio
June 30, 2019	59.18%
September 30, 2019	58.68%
December 31, 2019	49.60%
March 31, 2020	51.51%
June 30, 2020	52.64%
September 30, 2020	54.80%
December 31, 2020	47.49%
March 31, 2021	49.12%
June 30, 2021	53.70%
September 30, 2021	56.23%
December 31, 2021	47.87%
March 31, 2022	49.44%
June 30, 2022	58.82%
September 30, 2022	57.45%
December 31, 2022	46.88%
March 31, 2023	51.62%
June 30, 2023	52.57%
September 30, 2023	56.97%
December 31, 2023	46.13%



## Location & Hours of Operation Information

- The Farmers Bank has one branch, and it is located at:  
The Farmers Bank  
202 South Main Street  
Greensboro, GA 30642  
Census Tract #: 9503.05 (moderate-income tract)

\*The Farmers Bank has not opened or closed any branches within the current year or the prior two calendar years.

- The Farmers Bank's hours are:

	<u>Lobby</u>	<u>Drive-thru</u>
Monday	9:00 A.M.-5:00 P.M.	8:30 A.M.-5:00 P.M.
Tuesday	9:00 A.M.-5:00 P.M.	8:30 A.M.-5:00 P.M.
Wednesday <sup>1</sup>	9:00 A.M.-2:00 P.M.	8:30 A.M.-2:00 P.M.
Thursday	9:00 A.M.-5:00 P.M.	8:30 A.M.-5:00 P.M.
Friday	9:00 A.M.-5:00 P.M.	8:30 A.M.-5:30 P.M.
Saturday	CLOSED	8:30 A.M.-12:00 P.M.

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<sup>1</sup> Starting January 1, 2023, The Farmers Bank began to close its offices at 2:00 P.M. Wednesdays.



## **CRA Public Comments**

The Farmers Bank is required to include in this file all written comments from the public received for the current year and each of the prior two calendar years that specifically relate to the Bank's performance in helping to meet community credit needs. In addition, the Bank is required to include any response(s) to the comments made. These are to be included if neither the comments nor the responses contain statements that reflect adversely on the good name or reputation of any person(s) other than the bank or publication of which would violate specific provisions of law.

As such, The Farmers Bank has not received any written comments for the current year and prior two calendar years related to the Bank's CRA performance.



## Assessment Area Information

The Farmers Bank's CRA assessment area solely includes Greene County, Georgia. The following table shows the census tract codes for the geographies located within the Bank's assessment area along with their associated tract income level:

Tract Code	Tract Income Level
9501.00	Upper
9502.00	Moderate
9503.01	Upper
9503.02	Upper
9503.04	Upper
9503.05	Moderate
9504.00	Middle
9505.00	Upper
9999.99	Upper





## **HMDA Disclosure**

The Farmers Bank is not a Home Mortgage Disclosure Act (HMDA) reporter and does not report any HMDA loan level data to the Consumer Protection Financial Bureau (CFPB) on an annual basis.



## List of Services

Information about The Farmers Bank's deposit products and services are located in the *Deposit Account Information* brochure within this CRA public file folder. Please see the brochure for more information about the Bank's deposit products and services. Additionally, the *Fees & Services* schedule within this folder details the deposit fees/service charges, safe deposit box fees, and loan fees/service charges for The Farmers Bank.

The Farmers Bank's credit services include:

- Loans on this bank's Certificates of Deposit and Savings Accounts pledged as collateral;
- Loans guaranteed by some Government Agencies;
- Loans secured by U.S. Government Bonds and Marketable Municipal Bonds;
- Loans secured by Real Estate;
- Loans secured by Securities;
- Loans secured by Livestock and Agricultural Products;
- Loans to individuals and businesses secured by Marketable Machinery, Equipment and/or Vehicles;
- Loans secured by inventories and Accounts Receivable of businesses or individuals that are considered reputable;
- Loans for the construction of Homes and Businesses;
- Loans for Home Improvement;
- Loans for Mobile Homes;
- Loans for Short-Term Home Mortgages;
- Loans for All General Small Consumer Purposes;
- Loans granted through MasterCard Accounts; and
- Home Equity Lines

\* Please see a loan officer for the fees involved in the credit process.

\*Each application is treated on its own merit. All loan applications are evaluated within the guidelines of The Farmers Bank Loan Policy coupled with the fundamental prudence of sound banking principles.

\*The Farmers Bank encourages all citizens within our local community to make application to The Farmers Bank, if and when the need should arise, at their convenience.



[illegible]

All legal boundaries and names are as of January 1, 2010. The boundaries shown on the map are for various National sections of field collection and collection points not considered for this compilation. The information is not intended to be used for a legal determination of political boundaries or rights of ownership or settlement.

Geographic Names 2010. Extracted from the January 1, 2010 Data from the U.S. Geological Survey's National Geographic Names Database. Data provided by Geographic Names 2010. January 1, 2010.



Sheet 1 of 1 PARENT sheet:  
 Total Sheets: 1 (Index 0, Parent 1; Inset 0)

NAME: Greene County (133)  
 (It's FIVE County is statistically equivalent entity  
 with)

**Census 2020**



## Fees & Services

(Effective 08/04/2022)

### Deposit Fees/Service Charges

Cash/Coin (for non-customers)	\$ 5.00 per \$50
Check Cashing Fees	
Regular (on-us checks)	2%/\$10.00 minimum (non-customers)
IRS Rapid Refund Check	Greater of \$25.00 or 3% of check amount

#### Copies:

Check Copies	\$ 3.00 per page
Photocopies	\$ 1.00 each
Statement Copy (Printout)	\$ 5.00
Statement Copy (w/images)	\$ 10.00
Check Encoding (limit of 10 checks)	\$ 5.00

#### Closure of Account

Checking/GreeneTime & GreeneTime Special	\$ 25.00	(if prior to maturity or 1 yr. anniversary)
Fax Service	<u>Customer</u>	<u>Non-Customer</u>
1 <sup>st</sup> Page	\$2.00	\$5.00
Additional Pages	\$1.00	\$1.00

#### Foreign ATM Fees – ATMs not owned by our Bank

Withdrawals, Transfers & Inquiries -	\$ 1.00
GreeneTime Special W/D	\$ 7.50 per each w/d after 1 <sup>st</sup> withdrawal at no charge

Interest Statement – 2 <sup>nd</sup> Request (1099)	\$ 5.00
IRA Transfer/Account Closing	\$ 50.00
Money Orders	\$ 5.00
Official Check	\$ 10.00

#### Night Depository Rental

Agreement	\$ 20.00
Locked Bag	\$ 10.00
Regular Zipper Bag	\$ 4.00

PIN Change/Reminder -Tele, Internet, ATM \$ 5.00

Replacement ATM/Debit Card \$ 10.00

Telephone Transfers \$ 5.00

Travelex Cash Passport \$ 11.95

Wire Transfers	<u>Domestic</u>	<u>Foreign</u>
Incoming	\$25.00	\$50.00
Outgoing	\$25.00	\$50.00

Account Link O/D Protection	\$ 10.00 one-time fee
Account Research/Reconciliation	\$ 30.00 per hour (1 hr. min.)
	\$ 3.00 per item charge
Audit/CPA Confirmations	\$ 25.00
Bond Collection/U.S. Savings Bonds Collection	\$ 25.00
Chargebacks	
Deposit Item	\$ 10.00
Special Handling	\$ 6.00
Collection Items (Incoming/Outgoing)	\$ 35.00
Deposit/Credit Verification	\$ 25.00
Dormant Account Fee	\$ 60.00 one-time fee
Garnishment Processing Fee	\$100.00
Levies Processing Fee	\$100.00
*Return Check Charge	\$ 30.00
*Overdraft Charge	\$ 30.00
Special Handling of Statement	\$ 20.00
Stop Payment	\$ 30.00

### Safe Deposit Box Fees

	<u>Billed</u>	<u>Auto Debit</u>	Greene Club & EverGreene Club <u>Auto Debit Only</u>
3 X 5	\$30.00	\$20.00	\$18.00
5 X 5	\$35.00	\$25.00	\$22.50
3 X 10	\$45.00	\$35.00	\$31.50
5 X 10	\$60.00	\$50.00	\$45.00
10 X 10	\$80.00	\$70.00	\$63.00
Late fee (after 30 days)			\$ 10.00
Late fee (after 60 days)			\$ 15.00
Drilling if both keys are lost			*To Be Determined
Lock Replacement (one key lost)			*To Be Determined
*Will be based on cost to bank			

### Loan Fees/Service Charges

Convert from Auto Pay to Coupon Book	\$75.00
Interest Statement – 2 <sup>nd</sup> Request (1098)	\$ 5.00
Loan Extension Fee	\$15.00 plus interest
Replacement Loan Coupon Book	\$ 5.00
Written Payoff Letter	\$25.00

\*The fee applies to overdrafts created by check, in-person withdrawal, ATM withdrawal, or other electronic means, as applicable.





*Deposit Account Information*  
*Truth in Savings*  
*Electronic Funds Transfer Disclosures*  
*Funds Availability Disclosure*

*Member FDIC*

Dear Customer:

Federal and State banking laws govern much of our relationship with you. In particular, laws concerning negotiable instruments, deposit accounts and how we treat activity of these accounts. Complete disclosures of our fees and charges are in this brochure. Please retain for your records.

TRUTH IN SAVINGS ACT:

The FDIC Improvement Act of 1991 contained within it the Truth in Savings Act. The purpose of this act is to enable consumers to make informed decisions about deposit accounts in depository institutions.

ACCOUNT DESCRIPTIONS

REGULAR CHECKING

Balance Requirements: You must deposit \$100.00 to open this account. A maintenance fee of \$5.00 plus \$.20 per debit will be imposed every month if the balance in the account falls below \$500.00 any day of the month. Periodic Statements: You will get a monthly account statement. Cost of check printing varies depending on the style of checks ordered. **Student Checking** (age limit 25): Service Charges Waived

THRIFTY CHECKING

Balance Requirements: You must deposit \$100.00 to open this account. No minimum balance required. Monthly Maintenance Fee of \$3.75 Periodic Statements: You will get a monthly account statement. Cost of check printing varies depending on the style of checks ordered. Transaction Limitations: You may write up to 12 checks per month. Fees: A \$.50 per check charge will be imposed after the 12<sup>th</sup> check.

SAVINGS ACCOUNTS

GREENETIME SAVINGS

Rate Information: See rate sheet for interest rate and annual percentage yield. Your interest rate and annual percentage yield may change. At our discretion, we may change the interest rate on your account at any time. Interest compounding and crediting: Interest will be compounded quarterly and credited to your account quarterly.

Effect of closing an account: If you close your account before interest is credited, you will not receive the accrued interest. Balance Requirements: You must deposit \$100.00 to open this account. (You must maintain a minimum daily balance of \$200.00 in your account every day to obtain the annual percentage yield listed.) A maintenance fee of \$6.00 will be imposed every quarter if the minimum balance in the account falls below \$200.00 any day of the quarter. Balance-computation Method: We use the daily-balance method to calculate the interest on your account. This method applies a daily periodic rate to the principal in the account each day. Interest begins to accrue no later than the business day we receive credit for non-cash items (for example, checks). Transaction Limitations: You may make three (3) withdrawals per quarter. Fees: A \$5.00 debit items fee will be assessed for each withdrawal over three (3) in a quarter. Periodic Statements: You will get a quarterly account statement. If there are electronic fund transfers in a particular month, you will receive a monthly statement. In any case you will get the statement at least quarterly.

Non-profit Organizations  
Children’s Savings Account (age limit 18)  
Student Savings Account (age limit 25)

No minimum balance fees apply but all other fees are applicable. Balance Requirements: You must deposit \$50.00 to open this account. (You must maintain a minimum balance of \$50.00 in your account every day to obtain the annual percentage yield listed.)

GREENETIME SPECIAL SAVINGS

Rate Information: See rate sheet for interest rate and annual percentage yield. Your interest rate and annual percentage yield may change. At our discretion, we may change the interest rate on your account at any time. Interest compounding and crediting: Interest will be compounded annually and credited to your account annually. Effect of closing an account: If you close your account before interest is credited, you will not receive the accrued interest. Balance Requirements: You must deposit \$10.00 to open this account. (You must maintain a minimum daily balance of \$200.00 in your account every day to obtain the annual percentage yield listed.) Balance-computation Method: We use the daily-balance method to calculate the interest on your account. This method applies a daily periodic rate to the principal in the account each day. Interest begins to accrue no later than the business day we receive credit for non-cash items (for example, checks).

Transaction Limitations: You may make one withdrawal at no charge, prior to annual maturity. Fees: A \$7.50 debit items fee will be charged for each withdrawal after one, prior to annual maturity. Statement Period: No statement is provided. Entire balance including interest paid to customer on date designated annually.

PERSONAL NOW ACCOUNTS

CHECKING WITH INTEREST

Rate Information: See rate sheet for interest rate and annual percentage yield. Your interest rate and annual percentage yield may change. At our discretion, we may change the interest rate on your account at any time. Interest compounding and crediting: Interest will be compounded monthly and credited to your account monthly. Effect of closing an account: If you close your account before interest is credited, you will not receive the accrued interest. Balance Requirements: You must deposit \$1,000.00 to open this account. (You must maintain a minimum balance of \$1,000.00 in your account every day to obtain the annual percentage yield listed.) A maintenance fee of \$5.00 plus \$.20 per debit will be imposed every month if the balance in the account falls below \$1,000.00 any day of the month. Balance-computation Method: We use the daily-balance method to calculate the interest on your account. This method applies a daily periodic rate to the principal in the account each day. Interest begins to accrue no later than the business day we receive credit for non-cash items (for example, checks). Periodic Statements: You will get a monthly account statement.

GREENE CLUB ACCOUNT

Rate Information: See rate sheet for interest rate and annual percentage yield. Your interest rate and annual percentage yield may change. At our discretion, we may change the interest rate on your account at any time. Tiered-rate accounts: If your daily balance is \$1,000.00 or more, but less than \$5,000.00, see the rate sheet for the interest rate paid on the entire balance in your account. If your daily balance is \$5,000.00 or more, see the rate sheet for the interest rate paid on the entire balance in your account. Interest compounding and crediting: Interest will be compounded monthly and credited to your account monthly. Effect of closing an account: If you close your account before interest is credited, you will not receive the accrued interest.

Balance Requirements: You must deposit \$100.00 to open this account. (You must maintain a minimum balance of \$1,000.00 in your account every day to obtain the annual percentage yield listed.) Maintenance Fee - \$9.00 (monthly) Balance-computation Method: We use the daily-balance method to calculate the interest on your account. This method applies a daily periodic rate to the principal in the account each day. Interest begins to accrue no later than the business day we receive credit for non-cash items (for example, checks). Periodic Statements: You will get a monthly account statement.

EVERGREENE CLUB ACCOUNT (50 & over)

Rate Information: See rate sheet for interest rate and annual percentage yield. Your interest rate and annual percentage yield may change. At our discretion, we may change the interest rate on your account at any time. Tiered-rate accounts: If your daily balance is \$1,000.00 or more, but less than \$5,000.00, see the rate sheet for the interest rate paid on the entire balance in your account. If your daily balance is \$5,000.00 or more, see the rate sheet for the interest rate paid on the entire balance in your account. Interest compounding and crediting: Interest will be compounded monthly and credited to your account monthly. Effect of closing an account: If you close your account before interest is credited, you will not receive the accrued interest. Balance Requirements: You must deposit \$100.00 to open this account. (You must maintain a minimum balance of \$1,000.00 in your account every day to obtain the annual percentage yield listed.) A maintenance fee of \$5.00 will be imposed every month if the balance in the account falls below \$500.00 any day of the month. Balance-computation method: We use the daily-balance method to calculate the interest on your account. This method applies a daily periodic rate to the principal in the account each day. Interest begins to accrue no later than the business day we receive credit for non-cash items (for example, checks). Periodic Statements: You will get a monthly account statement.

MONEY MARKET ACCOUNT

Rate Information: See rate sheet for interest rate and annual percentage yield. Your interest rate and annual percentage yield may change. At our discretion, we may change the interest rate on your account at any time. Tiered Rate: If your daily balance is \$2,500.00 or more, but less than \$10,000.00, see the rate sheet for the interest rate paid on the entire balance in your account. If your daily balance is \$10,000.00 or more, but less than

\$25,000.00, see the rate sheet for the interest rate paid on the entire balance in your account. If your daily balance is \$25,000.00 or more, but less than \$50,000.00, see the rate sheet for the interest rate paid on the entire balance in your account. If your daily balance is \$50,000.00 or more, but less than \$100,000.00, see the rate sheet for the interest rate paid on the entire balance in your account. If your daily balance is \$100,000.00 or more, but less than \$250,000.00, see the rate sheet for the interest rate paid on the entire balance in your account. If your daily balance is \$250,000 or more, see the rate sheet for the interest rate paid on the entire balance in your account. Interest compounding and crediting: Interest will be compounded monthly and credited to your account monthly.

Effect of closing an account: If you close your account before interest is credited, you will not receive the accrued interest.

Balance Requirements: You must deposit \$2,500.00 to open this account. (You must maintain a minimum balance of \$2,500.00 in your account every day to obtain the annual percentage yield listed.) A maintenance fee of \$5.00 will be imposed every month if the balance in the account falls below \$2,500.00 any day of the month. Balance-computation method: We use the daily-balance method to calculate the interest on your account. This method applies a daily periodic rate to the principal in the account each day.

Interest begins to accrue no later than the business day we receive credit for non-cash items (for example, checks).

NEGATIVE INFORMATION DISCLOSURE

We may report information about your account to credit bureaus. Late payments, missed payments, or other defaults on your account may be reflected in your credit report.

CERTIFICATES OF DEPOSIT

Interest will be credited to your account or paid to you monthly, quarterly, semi-annually, annually, at maturity or as agreed upon.

The annual percentage yield (APY) assumes that interest remains on deposit until maturity. A withdrawal will reduce earnings.

After the account is opened, you may not make any deposits into or withdrawals from the principal in the account until the maturity date.

Interest begins to accrue on the business day any cash or non-cash items are deposited.

PENALTY FOR EARLY WITHDRAWAL

(A) 90 days interest penalty calculated on the principal amount of the certificate for certificates with a maturity of less than one year.

(B) 180 days interest penalty calculated on the principal amount of the certificate for certificates with a maturity of one year or more.

Renewal Policy – If your certificate is SINGLE MATURITY and does not automatically renew, **present it PROMPTLY at maturity as no interest is payable after the maturity date.**

If your certificate will AUTOMATICALLY RENEW, you will have a grace period of 10 days from maturity date to present this certificate for payment without penalty. IT WILL BE RENEWED AT THE RATE IN EFFECT AT THIS INSTITUTION ON THE DATE OF MATURITY. Method of Computation . . . . . Daily Balance\*

\*The Daily Balance is determined by the application of a daily periodic rate to the full amount of principal in the account each day.

COMPOUNDING FREQUENCY	Monthly	Monthly	Monthly	Monthly	Monthly	Monthly	Monthly	Monthly	Monthly
EARLY W/D PENALTY (days)	90	90	180	180	180	180	180	180	180
ANNUAL PERCENTAGE YIELD	See Rate Sheet	See Rate Sheet	See Rate Sheet	See Rate Sheet	See Rate Sheet	See Rate Sheet	See Rate Sheet	See Rate Sheet	See Rate Sheet
INTEREST RATE	See Rate Sheet	See Rate Sheet	See Rate Sheet	See Rate Sheet	See Rate Sheet	See Rate Sheet	See Rate Sheet	See Rate Sheet	See Rate Sheet

MINIMUM OPENING DEPOSIT	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00
MATURITY	3 Months	6 Months	12 Months	18 Months	24 Months	30 Months	36 Months	48 Months	60 Months

FEDERAL ELECTRONIC FUND TRANSFER ACT DISCLOSURES

IMPORTANT INFORMATION for our customers who have authorized electronic fund transfers: The Federal Electronic Fund Transfer Act and regulations adopted thereunder provide that we disclose pertinent information to you about electronic fund transfers to or from your account. By electronic fund transfers, we mean any transfer of funds that is initiated through an electronic terminal, telephone, computer, or magnetic tape for the purpose of ordering, instructing, or authorizing a financial institution to debit or credit a consumer’s account.

TYPES OF TRANSFERS AVAILABLE

- 1. Automated Teller Machine Transfers
- 2. Direct Deposits or ACH Withdrawals
- 3. Telephone Banking Transfers
- 4. Internet Banking
- 5. Mobile Banking
- 6. Electronic Check Conversion
- 7. All debit card transfers

I. AUTOMATED TELLER MACHINES, DEBIT CARDS

A. ACCESSING YOUR ACCOUNT

- 1. Withdraw cash from your checking accounts or savings accounts.
- 2. Make deposits to your checking accounts or savings accounts.
- 3. Transfer funds between your checking accounts and savings accounts whenever you request.

- 4. Pay for purchases at places that have agreed to accept the debit card.
- 5. Pay bills directly by telephone from your checking account or savings account in the amounts and on the days you request.

Some of these services may not be available at all terminals

B. LIMITATIONS

- 1. Limitations on frequency of transfers. There are no limitations on the frequency of transfers.
- 2. Limitations on dollar amounts of transfers. You may withdraw up to \$250.00 from our automated teller machines each 24-hour time span.
- 3. Limitations on dollar amounts of transfers. You may buy up to \$1,000.00 worth of goods or services each time you use the debit card in our point-of-sale transfer service in a 24-hour time span.

C. CHARGES FOR TRANSFERS OR RIGHT TO MAKE TRANSFERS

- 1. Per transfer charge. We will charge you \$1.00 for each transfer or inquiry you make using off-premise automated teller machines.
- 2. ATM Surcharges: when you use an ATM not owned by us, you may be charged a fee by the ATM operator or any network used to complete the transfer (and you may be charged a fee for a balance inquiry).

D. RECEIPT FOR TRANSACTION

You will receive a written receipt at the time you make any transfer to or from your account using one of our automated teller machines.

E. CUSTOMERS LIABILITY

Tell us AT ONCE if you believe your card and/or code has been lost or stolen, or if you believe that an electronic fund transfer has been made without your permission using information from your check. Telephoning is the best way of keeping your possible losses down. You could lose all the money in your account plus your maximum overdraft line of credit. If you tell us within 2 business days, you can lose no more than \$50.00 if someone used your card and/or code without your permission. If you do not tell us within 2 business days after you learn of the loss or theft of your card and/or code, and we can prove we could have stopped someone from using your card and/or code without your permission if you had told us, you could lose as much as \$500.00.

Also, if your statement shows transfers that you did not make, including those made by card, code or other means, tell us at once. If you do not tell us within 60 days after the statement was mailed to you, you may not get back any money you lost after

the 60 days if we can prove that we could have stopped someone from taking the money if you had told us in time.

If a good reason (such as a long trip or a hospital stay) kept you from telling us, we may extend the time periods.

**F. HOW TO CONTACT US:**

If you believe that your card and/or code has been lost or stolen or that a transaction involving your account has been made without your permission, or if for any reason you wish to contact us, telephone us at the phone number listed or write us at the address given in this disclosure. You should also call the number or write to the address listed above if you believe a transfer has been made using the information from your check without your permission.

**II. ELECTRONIC FUND TRANSFERS BY PREAUTHORIZATION (DIRECT DEPOSIT OR ACH WITHDRAWALS)**

**A. DOCUMENT OF TRANSFERS**

If you have arranged to have direct deposits made to your account at least once every 60 days from the same person or company, you can call us at the phone number listed in this disclosure to find out whether or not the deposit has been made.

**B. RIGHT TO STOP PAYMENT**

If you have told us in advance to make regular payments out of your account, you can stop any of these payments. Here is how: Call us at the phone number given in this disclosure or write us at the address given in this disclosure, in time for us to receive your request 3 business days or more before the payment is scheduled to be made. If you call, we may also require you to put your request in writing and get it to us within 14 days after you call. If you order us to stop one of these payments 3 business days or more before the transfer is scheduled, and we do not do so, we will be liable for your losses or damages. We will charge you for each stop payment order you give. (See attached fee schedule.)

**C. NOTICE OF TRANSFERS VARYING IN AMOUNT**

If the preauthorized regular transfers from your account may vary in amount, the person you are going to pay should tell you, 10 days before each payment, when it will be made and how much it will be. You may choose instead to get this notice only when the payment would differ by more than a certain amount from the previous payment, or when the amount would fall outside certain limits that you set.

**D. CUSTOMER LIABILITY**

If your statement shows unauthorized transfers from your account, tell us at once. If you do not tell

us within 60 days after we sent you the FIRST statement upon which the problem appeared, you may not get back any money you lost after the 60 days if we can prove that we could have stopped someone from taking the money if you had told us in time.

If a good reason (such as a long trip or a hospital stay) kept you from telling us, we may extend the time periods.

**E. HOW TO CONTACT US**

If you believe that a transaction involving your account has been made without your permission, or if for any reason you wish to contact us, telephone us at the phone number listed or write us at the address given in this disclosure.

**III. TELEPHONE BANKING**

You may call 800-471-0560 and use your code/PIN to

1. Transfer funds between your checking accounts and savings accounts
2. Check balances
3. Make internal loan payments

**IV. INTERNET BANKING**

You may log on to [www.farmbk.com](http://www.farmbk.com) and use your user id and password to

1. Transfer funds between your checking accounts and savings accounts
2. Pay bills directly (one time or recurring) from your checking accounts or savings accounts in the amounts and on the days you request
3. Make internal loan payments
4. View balances and account history

**V. MOBILE BANKING**

You may access your account(s) by web enabled cell phone or tablet by three modes of mobile banking available: SMS/Text Banking, Mobile Web, and Mobile App. You may download the **Farmers Bank GA Mobile** App from iTunes App or Google Play Store or access Mobile Web by logging on to [farmbk.com](http://farmbk.com) and use your user id and password to

1. Transfer funds between your checking accounts and savings accounts
2. Pay bills directly (one time or recurring) from your checking accounts or savings accounts in the amounts and on the days you request
3. Make internal loan payments
4. View balances and account history

You may be charged access fees by your cell phone provider based on your individual plan. Web access is needed to use this service. Check with your cell phone provider for details on specific fees and charges.

**VI. Electronic Check Conversion**

You may authorize a merchant or other payee to make a one-time electronic payment from your checking account using information from your check

to:

1. Pay for purchases
2. Pay bills

**VII. DISCLOSURES WHICH APPLY TO ALL ELECTRONIC FUND TRANSFERS**

**A. PERIODIC STATEMENTS:**  
CHECKING: You will get a monthly account statement.  
SAVINGS: You will get a quarterly account statement. If there are electronic fund transfers in a particular month, you will receive a monthly statement. In any case you will get the statement at least quarterly.

**B. ACCOUNT INFORMATION DISCLOSURE**  
We will disclose information about your account or the transfers you make:

1. Where it is necessary to complete transfers, or
2. In order to verify the existence and condition of your account for a third party, such as a credit bureau or merchant, or
3. In order to comply with government agency or court orders, or
4. If you give us your written permission.

**C. LIABILITY FOR FAILURE TO MAKE TRANSFERS**  
If we do not complete a transfer to or from your account on time or in the correct amount according to our agreement with you, we will be liable for your losses or damages. However, there are some exceptions. We will not be liable, for instance:

1. If, through no fault of ours, you do not have enough money in your account to make the transfer,
2. If the transfer would go over the credit limit of your overdraft line, if any,
3. If the automated teller machine where you are making the transfer does not have enough cash.
4. If the terminal/system was not working properly and you knew about the breakdown when you started the transfer.
5. If your account is frozen because of a court order or some similar reason,
6. If circumstances beyond our control (such as fire or flood) prevent the transfer, despite reasonable precautions that we have taken,
7. There may be other exceptions stated in our agreement with you.

**D. ERROR RESOLUTION PROCEDURES**  
*In Case of Error or Questions About Your Electronic Transfers:* Telephone us or write us at the phone number or address given in this disclosure, as soon as you can, if you think your statement or receipt is wrong or if you need more information about a transfer listed on the statement or receipt. We must hear from you no

later than 60 days after we sent the FIRST statement on which the problem or error appeared.

1. Tell us your name and account number (if any).
2. Describe the error or the transfer you are unsure about and explain as clearly as you can why you believe it is an error or why you need more information.
3. Tell us the dollar amount of the suspected error.

If you tell us orally, we may require that you send us your complaint or question in writing within 10 business days.

We will determine whether an error occurred within 10 business days (20 business days if the transfer involved a new account) after we hear from you and will correct any error promptly. If we need more time, however, we may take up to 45 days (90 days if the transfer involved a new account, a point-of-sale transaction, or a foreign-initiated transfer) to investigate your complaint or question. If we decide to do this, we will credit your account within 10 business days (20 business days if the transfer involved a new account) for the amount you think is in error, so that you will have the use of the money during the time it takes us to complete our investigation. If we ask you to put your complaint or question in writing and we do not receive it within 10 business days, we may not credit your account. An account is considered a new account for 30 days after the first deposit is made, if you are a new customer. For errors involving new accounts, point of sale, or foreign initiated transactions, we may take up to 90 days to investigate your complaint or question. For new accounts, we may take up to 20 business days to credit your account for the amount you think is in error.

We will tell you the results within three business days after completing our investigation. If we decide that there was no error, we will send you a written explanation.

You may ask for copies of the documents that we used in our investigation.

**E. ADDITIONAL ATM DISCLOSURES**

1. There will be a charge for each replacement card. (See attached fee schedule.)
2. Your new ATM Card may be issued for withdrawal access to one (1) FARMERS BANK checking and/or savings account.
3. If an ATM withdrawal is made and funds are not on deposit, an insufficient funds fee will be assessed, and your ATM Card may be revoked. (See attached fee schedule.)
4. Use of this ATM Card indicates that you have read and understand the ATM Debit Card



Agreement and the ATM Transaction Fee Disclosure Agreement.

**F. MAILING ADDRESS, TELEPHONE NUMBER AND BUSINESS DAY DISCLOSURE**

1. Our mailing address is P. O. Box 808, Greensboro, GA 30642
2. Our phone number is (706) 453-2335
3. Our business days are: Greensboro Office: Monday through Friday. Saturday is a non-credit banking day. Holidays are not included.

**Notice of ATM/Night Deposit Facility User Precautions**

As with all financial transactions, please exercise discretion when using an ATM or night deposit facility. For your own safety, be careful. The following suggestions may be helpful.

1. Prepare for your transactions at home (for instance, by filling out a deposit slip) to minimize your time at the ATM or night deposit facility.
2. Mark each transaction in your account record, but not while at the ATM or night deposit facility. Always save your ATM receipts. Don't leave them at the ATM or night deposit facility because they may contain important account information.
3. Compare your records with the account statements you receive.
4. Don't lend your ATM card to anyone.
5. Remember, do not leave your card at the ATM. Do not leave any documents at a night deposit facility.
6. Protect the secrecy of your Personal Identification Number (PIN). Don't tell anyone your PIN. Don't write your PIN where it can be discovered. For example, don't keep a note of your PIN in your wallet or purse.
7. Prevent others from seeing you enter your PIN by using your body to shield their view.
8. If you lose your ATM card or if it is stolen, promptly notify us. You should consult the other disclosures you have received about electronic fund transfers for additional information about what to do if your card is lost or stolen.
9. When you make a transaction, be aware of your surroundings. Look out for suspicious activity near the ATM or night deposit facility, particularly if it is after sunset. At night, be sure that the facility (including the parking area and walkways) is well lighted. Consider having someone accompany you when you use the facility after sunset. If you observe any problem, go to another ATM or night deposit facility.
10. Don't accept assistance from anyone you do not know when using an ATM or night deposit facility.

11. If you notice anything suspicious or if any other problem arises after you have begun an ATM transaction, you may want to cancel the transaction, pocket your card and leave. You might consider using another ATM or coming back later.
12. Don't display your cash; pocket it as soon as the ATM transaction is completed and count the cash later when you are in the safety of your own car, home, or other secure surrounding.
13. At a drive-up facility, make sure all of the car doors are locked and all windows are rolled up, except the driver's window. Keep the engine running and remain alert to your surroundings.
14. We want the ATM and night deposit facility to be safe and convenient for you. Therefore, please tell us if you know of any problem with a facility. For instance, let us know if a light is not working or there is any damage to the facility. Please report any suspicious activity or crimes to both the operator of the facility and the local law enforcement officials immediately.

**FUNDS AVAILABILITY POLICY DISCLOSURE**

**Your Ability to Withdraw Funds**

**This policy statement applies to all transaction accounts.**

Our policy is to make funds from your deposits available to you on the first business day after the day we receive your deposit. Electronic direct deposits will be available on the day we receive the deposit. Once they are available, you can withdraw the funds in cash and we will use the funds to pay checks that you have written.

For determining the availability of your deposits, every day is a business day, except Saturdays, Sundays, and federal holidays. If you make an internet transfer from one deposit account to another on a business day we are open, we will consider that day to be the day of deposit and the funds will be available on the next business day.

**LONGER DELAYS MAY APPLY**

In some cases, we will not make all of the funds that you deposit by check available to you on the first business day after the day of your deposit. Depending on the type of check that you deposit, funds may not be available until the second business day after the day of your deposit. The first \$225 of your deposits, however, may be available on the first business day.

If we are not going to make all of the funds from your deposit available on the first business day, we will notify you at the time you make your deposit. We will also tell you when the funds will be available. If your deposit is not made directly to one of our employees, or if we decide

to take this action after you have left the premises, we will mail you the notice by the day after we receive your deposit.

If you will need the funds from a deposit right away, you should ask us when the funds will be available.

In addition, funds you deposit by check may be delayed for a longer period under the following circumstances:

- We believe a check you deposit will not be paid.
- You deposit checks totaling more than \$5,525 on any one day.
- You redeposit a check that has been returned unpaid.
- You have overdrawn your account repeatedly in the last six months.
- There is an emergency, such as failure of communication or computer equipment.

We will notify you if we delay your ability to withdraw funds for any of these reasons, and we will tell you when the funds will be available. They will generally be available no later than the seventh business day after the day of your deposit.

**SPECIAL RULES FOR NEW ACCOUNTS**

If you are a new customer, the following special rules will apply during the first 30 days your account is open.

Funds from electronic direct deposits to your account will be available on the day we receive the deposit. Funds from deposits of cash, wire transfers, and the first \$5,525 of a day's total deposits of cashier's, certified, teller's, traveler's, and federal, state and local government checks will be available on the first business day after the day of your deposit if the deposit meets certain conditions. For example, the checks must be payable to you (and you may have to use a special deposit slip). The excess over \$5,525 will be available on the ninth business day after the day of your deposit. If your deposit of these checks (other than a U.S. Treasury check) is not made in person to one of our employees, the first \$5,525 will not be available until the second business day after the day of your deposit.

Funds from all other check deposits will be available on the ninth business day after the day of your deposit.

02/2024