

First National Bank of Bemidji CRA Public File 2026

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Main Bank Contact Information

First National Bank of Bemidji
1600 Paul Bunyan Dr NW
Bemidji, MN 56601
218-751-2430

Michelle R. Didrikson
Compliance/CRA Officer

First National Bank of Bemidji (FNBB) will maintain a copy of this file for public inspection upon request and at no cost at each branch location. FNBB will also maintain a copy of our most recent CRA Performance Evaluation and a list of services provided at each branch office. FNBB will comply with any CRA public file requests within 5 calendar days and update this file no later than April 1 of each calendar year.

A. Written Comments from the Public (Calendar Years 2024-2025)

Following this page are any written comments received from the public related to FNBB's CRA performance and any applicable bank response from the prior two calendar years. If you have comments regarding our CRA performance, please contact us at:

First National Bank of Bemidji
1600 Paul Bunyan Dr NW
Bemidji, MN 56601
218-751-2430

Michelle R. Didrikson
Compliance/CRA Officer

B. Branch Locations and Hours of Operation

First National Bank of Bemidji, Main Office

1600 Paul Bunyan Drive NW
Bemidji, MN 56601
218-751-2430

Lobby Hours:

M-F: 8:30 AM – 5:00 PM
Sat: 8:30 AM – 12:00 PM
Sun: Closed

Drive-Up Hours:

M-F: 8:30 a.m. – 6:00 p.m.
Sat: 8:30 AM – 12:00 PM
Sun: Closed

First National Bank of Bemidji, South Bank

607 Washington Avenue S
Bemidji, MN 56601
218-333-4396

Lobby Hours:

M-F: 8:30 AM – 6:00 PM
Sat: 8:30 AM – 12:00 PM
Sun: Closed

Drive-Up Hours:

M-F: 8:30 a.m. – 6:00 p.m.
Sat: 8:30 AM – 12:00 PM
Sun: Closed

55 Home Connection

This service is for members of our mature market club who reside at nursing or assisted-living facilities that are approved for such services. Our three locations that we currently serve are:

Birch Haven Village

1633 Delton Avenue NW
Bemidji, MN 56601
Census Tract 4507.04 (Moderate Income Tract)

Baker Park, Congregate Housing

803 Dewey Avenue NE

Bemidji, MN 56601

Census Tract 4506.00 (Moderate Income Tract)

North Country Senior Living LLC

1000 Anne Street NW

Bemidji, MN 56601

Census Tract 4502.02 (Middle Income Tract)

ATM Locations

Our ATMs are owned and operated by First National Bank of Bemidji. Our current locations are:

Main Bank Drive-Up

1600 Paul Bunyan Drive NW

Bemidji, MN 56601

Two machines that are both deposit-taking and cash-dispensing

South Bank Lobby

607 Washington Avenue S

Bemidji, MN 56601

One cash-dispensing machine only

South Bank Drive-Up

607 Washington Avenue S

Bemidji, MN 56601

One machine that is both deposit-taking and cash-dispensing

Downtown ATM

429 Minnesota Avenue NW

Bemidji, MN 56601

One machine that is both deposit-taking and cash-dispensing

Sanford Health ATM

1300 Anne Street NW

Bemidji, MN 56601

One machine in the hospital that is cash-dispensing only

Luekens North ATM

1171 Paul Bunyan Drive NW

Bemidji, MN 56601

One machine in the grocery store that is cash-dispensing only

Our customers can also enjoy ATM convenience worldwide. Some of the major ATM networks available for our customers are: Plus, Cirrus, EBT, Visa Net, Fastbank, Pulse, American Express, Quest, and MoneyPass (a surcharge-free network for our customers; locate machines at www.moneypass.com).

C. Branches Opened and Closed (Calendar Years 2024-2025)

First National Bank of Bemidji, Express Bank – Closed 12/31/2024

429 Minnesota Avenue NW

Bemidji, MN 56601

Census Tract 4506.00 (Moderate Income Tract)

D. List of Products/Services and Schedule of Fees

FNBB Products

Product Type	Available at Main Bank	Available at South Bank
Loans		
Agricultural	M	
Auto	M	S
Commercial	M	
Home Equity	M	
Home Improvement	M	
Mobile Home	M	
Personal	M	S
Real Estate	M	
RVs	M	S
Checking Reserve Line of Credits	M	S
Consumer Checking Accounts		
First Step Checking	M	S
First Free Checking	M	S
First Checking	M	S
First Plus Checking	M	S
Business Checking Accounts		
Simple Business Checking	M	S
First Business Checking	M	S
First Plus Business Checking	M	S
Consumer Savings Accounts		
Thrift Savings	M	S
Young Investors Savings	M	S
Statement Savings	M	S
Money Market Savings	M	S
Business Savings Accounts		
Statement Savings	M	S
First Insured Money Market	M	S
First Cash Management	M	
Other Savings Options		
IRA – Variable Rate	M	S

IRA – Fixed Rate	M	S
Health Savings Accounts (HSA)	M	S
91 Day Certificate of Deposit (CD)	M	S
182 Day CD	M	S
1 Year CD	M	S
18 Month CD	M	S
One-Up 2 Year CD	M	S
2 Year CD	M	S
30 Month CD	M	S
3 Year CD	M	S
One-Up 4 Year CD	M	S
4 Year CD	M	S
5 Year CD	M	S
U.S. Savings Bonds	M	S
Card Options		
ATM Card	M	S
Debit Mastercard	M	S
Digital Issuance Consumer Debit Card	M	S
Instant Issue Consumer Debit Card	M	S
ELAN Consumer Credit Card	M	S
ELAN Business Credit Card	M	S
Other Monetary Instrument Options		
Cashier’s Checks - \$5/check	M	S
Counter Checks - \$.50/check	M	S
Personal Money Orders - \$2/order	M	S
Investment Options		
Annuities	M	
Brokerage	M	

FNBB Services and Applicable Fees

Service Type	Available at Main Bank	Available at South Bank	Fee*
Consumer Electronic Banking Options			
Retail Online Banking	M	S	-
Mobile Banking	Mobile App		-
Bill Pay	Online & Mobile App		Up to \$19.95/check
Direct Deposit	Online		-

BillMatrix	Online & Phone		Up to \$9/payment
E-Statements	Online		-
Credit Sense – Credit Score Monitoring	Online & Mobile App		-
CardHub – Debit Card Management	Mobile App		-
TransferNow – External Transfers	Online		Up to \$2/transfer
Zelle – P2P Transfers	Online & Mobile App		-
Notifi Alerts	Online & Mobile App		-
Digital Wallet	Mobile App		-
Mobile Check Deposit	Mobile App		-
Business Electronic Banking Options			
Business Online Banking	M	S	-
ACH Origination	M		Varies
E-Statements	Online		-
Remote Deposit Capture	Online		\$50/scanner/month
Positive Pay	M	S	\$50/month
Merchant Services – Payment Processing	M		Varies
Merchant Services – Mobile Payments	M		Varies
Merchant Services – Point of Sale	M		Varies
In Branch Services			
Check Cashing - Domestic	M	S	Up to \$25/check
Check Cashing – Foreign	M	S	\$15/check
Checkbook Balancing	M	S	Up to \$30/hour
Document Copies	M	S	Up to \$.25/page
Endorsement Stamps	M	S	\$40
Fax	M	S	Up to \$3/page
Foreign Currency	M	S	Up to \$37.50/transaction
Canadian Currency	M	S	Up to \$10/transaction
55 Connection Club Enrollment	M	S	-
Young Investors Club Enrollment	M	S	-
Mastercard/Visa Advances	M	S	-
Notary Public Services	M	S	Up to \$2/document
Record Research	M		\$50/hour Up to \$5/copy
Safe Deposit Boxes	M		Up to \$60/year
Signature Guarantee	M	S	\$25
Medallion Guarantee	M		\$25
Statement Copies	M	S	Up to \$5/statement
Stop Payments	M	S	\$25/item or \$40 per reoccurring ACH or check sequence

Wire Transfers – Domestic	M	S	Up to \$25/transaction
Wire Transfers – Foreign	M		Up to \$75/transaction
Collectible Coins	M		Varies
Coin Counting	M	S	-
Other Services			
Bank-by-Mail	M	S	-
Drive-Up Banking	M	S	-
Night Depository	M	S	-
Night Deposit Bags	M	S	\$20/additional bag

**Highest possible fees are disclosed. Fee amounts may vary by account type, qualifying criteria or for non-customers*

Additional Schedule of Fees

Description of Fee	Fee Amount*
Account Closing Fee	\$25
Foreign ATM Fees	\$1/transaction
Automatic Transfer Fee	\$10/daily transfer
Replacement Debit Card Fee	\$10/card
Expedited Replacement Debit Card Fee	\$30/card
Lost/Stolen/Destroyed Cashier's Check Fee	\$25/check
Deluxe ID Theft Protection	Up to \$4.49
Dormant Account Fee	\$5/month
Levies/Garnishment Fees	\$75
Multiple Statement Mailing	\$5
NSF Paid Item Fee	\$25/item
Continuous Overdraft Fee	\$5/day
Outgoing Check Collection Fee	Up to \$15
Safe Deposit Box Drilling	\$200
Safe Deposit Box Late Payment Fee	\$5
Safe Deposit Box Lost Key Replacement	\$10
Zippered Bags	\$5

**Highest possible fees are disclosed. Fee amounts may vary by account type, qualifying criteria or for non-customers.*

E. Assessment Area Description

The Assessment Area is the term given to the geographical area that our bank serves in meeting the credit needs of our community. Our Assessment Area covers all of Beltrami County, all of Clearwater County and the northernmost portions of both Cass and Hubbard Counties.

Beltrami County Census Tracts

4501.01	4501.02	4502.01	4502.02
4503.00	4504.00	4505.00	4506.00
4507.03	4507.04	4507.05	4507.06
9400.01	9400.02		

Clearwater County Census Tracts

0001.00	0002.00	0003.00
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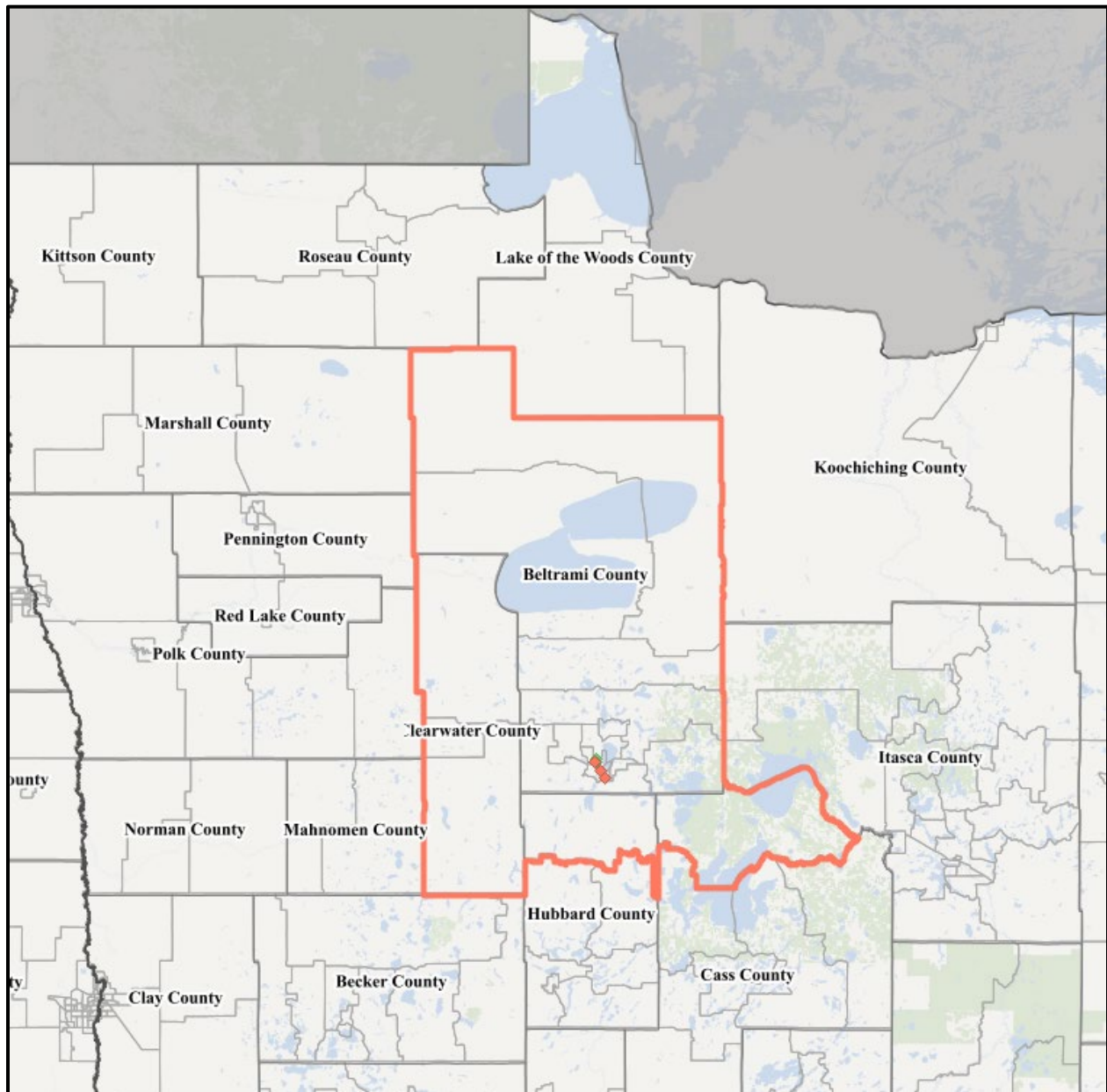
Cass County Census Tracts

9400.02

Hubbard County Census Tracts

0701.00

F. Assessment Area Map



G. Loan to Deposit Ratios

Loan to Deposit Ratios for the year 2025:

Quarter Ending March 31, 2025	51.13%
Quarter Ending June 30, 2025	51.93%
Quarter Ending September 30, 2025	52.80%
Quarter Ending December 31, 2025	55.06%

Loan to Deposit Ratios for the year 2024:

Quarter Ending March 31, 2024	47.93%
Quarter Ending June 30, 2024	51.20%
Quarter Ending September 30, 2024	51.84%
Quarter Ending December 31, 2024	51.58%

Loan to Deposit Ratios for the year 2023:

Quarter Ending March 31, 2023	47.64%
Quarter Ending June 30, 2023	48.67%
Quarter Ending September 30, 2023	48.44%
Quarter Ending December 31, 2023	46.65%

H. CRA Performance Evaluation

FNBB had its last Community Reinvestment Act review completed on July 21, 2025. The following report is the public section of that CRA examination report.



PUBLIC DISCLOSURE

July 21, 2025

**COMMUNITY REINVESTMENT ACT
PERFORMANCE EVALUATION**

First National Bank of Bemidji
Charter Number: 5582

1600 Paul Bunyan Drive NW
Bemidji, MN 56601

Office of the Comptroller of the Currency

222 South Ninth Street, Suite 800
Minneapolis, MN 55402-3393

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

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Overall CRA Rating

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

The lending test is rated: Satisfactory.

The community development test is rated: Outstanding.

The major factors that support this rating include:

- The bank's loan-to-deposit (LTD) ratio is reasonable.
- A substantial majority of the bank's loans are inside the bank's assessment area (AA).
- The distribution of loans throughout geographies of different income levels is reasonable.
- The distribution of loans among borrowers of different income levels and business sizes is reasonable.
- The bank's Community Development (CD) activities demonstrate excellent responsiveness to the AA's needs through CD loans, qualified CD investments, and CD services.
- The bank did not receive any CRA-related complaints during the evaluation period.

Loan-to-Deposit Ratio

Considering the bank's size, financial condition, and credit needs of the assessment area (AA), the bank's LTD ratio is reasonable.

First National Bank of Bemidji's (FNBB) average quarterly LTD ratio for the 12 quarters from January 1, 2022, through December 31, 2024, was 47.2 percent. The ratio increased quarter-over-quarter from a low of 42.7 percent on January 1, 2022, to a high of 51.5 percent on September 30, 2024. We also evaluated the LTD ratio by adjusting for the sale of residential real estate loans to the secondary market which increases the average ratio to 68.2 percent. The bank sells a significant volume of residential mortgage loans to the secondary market, which totaled \$63.8 million during the review period.

We compared the bank's LTD ratio to seven financial institutions similar in asset size and operating in the same AA. The bank's LTD ratio ranks fourth when adjusting for secondary market loan sales. The comparator banks' average LTD ratios ranged from 37.9 percent to 91.5 percent over the evaluation period. Similar institution total asset size ranges from \$33 million to \$945 million.

Loan-to-Deposit Ratio		
Institution (Headquarters)	Total Assets (\$000s)	Average LTD Ratio
The Citizens National Bank of Park Rapids (Park Rapids, MN)	\$354,107	91.48%
First National Bank North (Walker, MN)	\$787,343	74.19%
Security Bank USA (Bemidji, MN)	\$247,788	73.06%
Northwoods Bank of Minnesota (Park Rapids, MN)	\$714,810	58.12%
Pine River State Bank (Pine River, MN)	\$310,194	57.17%
The First National Bank of Bemidji (Bemidji, MN)	\$945,175	47.24%
Western National Bank (Cass Lake, MN)	\$33,487	37.91%
<i>Source: 1/1/2022-12/31/2024 Call Report Data Total Assets as of 12/31/2024</i>		

Lending in Assessment Area

A substantial majority of the bank's loans were inside its AA.

FNBB originated and purchased 78 percent of loans by number inside the bank's AA during the evaluation period. This analysis is performed at the bank, rather than the AA, level. This percentage does not include extensions of credit by affiliates that may be considered under the other performance criteria.

Loan Category	Number of Loans				Total #	Dollar Amount of Loans \$(000s)				Total \$(000s)
	Inside		Outside			Inside		Outside		
	#	%	#	%		\$	%	\$	%	
Small Business	44	73%	16	27%	60	\$4,09	25%	\$12,276	75%	\$16,369
Consumer	18	90%	2	10%	20	\$312	97%	\$10	3%	\$323
Total	62	78%	18	23%	80	\$4,405	26%	\$12,286	74%	\$16,692

*Source: 1/1/2022 - 12/31/2024 Bank Data.
Due to rounding, totals may not equal 100.0%*

Description of Institution

FNBB is a single-state national bank headquartered in Bemidji, Minnesota. FNBB is wholly owned by First Bemidji Holding Company, a single bank holding company that is primarily owned by bank employees via the Bemidji ESOP and Trust. FNBB has one other affiliated organization, the First National Bank of Bemidji Foundation. The Foundation is a non-profit organization with the mission of funding programs in the local community that benefit families. During the evaluation period, FNBB operated three full-service branches and six Automated Teller Machines (ATMs) in the state of Minnesota, all of which were located in Bemidji. Three of the six ATMs are deposit-taking. FNBB also offers remote banking services at three non-branch locations. These services are offered through the 55 Connection Club, which is a group for senior citizens who are unable to physically visit bank branches. FNBB employee representatives visit participating assisted living and nursing home facilities once a month to allow participants to deposit cash and checks and complete cash withdrawals. Additionally, representatives provide financial training, education opportunities, and notary services for participants.

Management has one designated AA located in proximity to Bemidji, Minnesota. FNBB's AA meets regulatory requirements and does not arbitrarily exclude low- or moderate-income (LMI) census tracts (CTs). FNBB closed one branch on December 31, 2024, which does not materially impact the AA during the evaluation period. FNBB did not open any branches during the evaluation period.

FNBB offers traditional loan and deposit products to meet the needs of its customers. FNBB's lending strategy focuses on commercial business and consumer lending. As of December 31, 2024, FNBB's assets totaled \$945.2 million. The loan portfolio totaled \$411.6 million, which represented 43.6 percent of total assets. The loan portfolio was comprised of approximately 68.3 percent business loans, 22.8 percent home mortgage, 8.5 percent consumer loans, and 1.2 percent of farm loans. As of December 31, 2024, tier one capital totaled \$114.8 million.

There are no known financial, legal, or other factors impeding FNBB's ability to meet the credit needs of its assessment area (AA). FNBB received a "Satisfactory" rating in the prior CRA examination dated August 1, 2022.

Scope of the Evaluation

Evaluation Period/Products Evaluated

We evaluated FNBB's CRA performance using the intermediate small bank CRA examination procedures, which includes a Lending Test and CD Test. The Lending Test evaluates the bank's record of meeting the credit needs of its AA through its lending activities. The CD test evaluates the bank's record of responding to the CD needs and opportunities through CD lending, qualified investments, donations and service hours within the communities served. The complaint analysis period was August 1, 2022, to July 21, 2025. Finally, we evaluated economic factors within the AA for the evaluation period from January 1, 2022, through December 31, 2024, and contacted a local community member within the AA to discuss the credit needs of the community.

The Lending Test evaluation period is January 1, 2022, through December 31, 2024. We analyzed the number and dollar volume of loans originated and purchased during the evaluation period to determine the primary loan products in FNBB's AA. The bank's primary loan products were business and consumer loans. Business loans represented 60.5 percent by dollar and 16.7 percent by number of total originations during the evaluation period. Consumer loans represented 13.9 percent by dollar and 67.5 percent by number of total originations during the evaluation period.

To evaluate lending performance, we selected a random sample of 20 loans originated during the evaluation period for each primary product in the bank's AA. To analyze borrower and geographic distributions within the AA, we sampled additional loans, as needed, to reach 20 loans originated to borrowers located within the designated AA for each primary product.

The CD Test evaluation period is January 1, 2022, through December 31, 2024. We reviewed all CD loans, donations, investments, and services submitted by bank management for consideration.

Selection of Areas for Full-Scope Review

In each state where the bank has an office, one or more of AAs within that state was selected for a full-scope review. For purposes of this evaluation, bank delineated AAs located within the same metropolitan statistical area (MSA), multistate metropolitan statistical area (MMSA), or combined statistical area (CSA), if applicable are combined and evaluated as a single AA. Similarly, bank delineated non-MSA AAs within the same state are combined and evaluated as a single area. These combined AAs may be evaluated as full- or limited-scope. Refer to the "Scope" section under each State Rating for details regarding how full-scope AAs were selected. Refer to appendix A, Scope of Examination, for a list of full- and limited-scope AAs.

Ratings

The bank's overall rating is based wholly on the State of Minnesota rating. This rating is based on the bank's performance in their single AA. Refer to the "Scope" section under the state rating section for details regarding how the areas were weighted in arriving at the respective ratings.

Discriminatory or Other Illegal Credit Practices Review

Pursuant to 12 CFR 25.28(c) (March 29, 2024) in determining a national banks or federal savings association's (collectively, bank) CRA rating, the OCC considers evidence of discriminatory or other illegal credit practices in any geography by the bank, or in any AA by an affiliate whose loans have been considered as part of the bank's lending performance. As part of this evaluation process, the OCC consults with other federal agencies with responsibility for compliance with the relevant laws and regulations, including the U.S. Department of Justice, the U.S. Department of Housing and Urban Development, and the Consumer Financial Protection Bureau, as applicable.

The OCC has not identified that this institution (or any affiliate whose loans have been considered as part of the institution's lending performance) has engaged in discriminatory or other illegal credit practices that require consideration in this evaluation.

The OCC will consider any information that this institution engaged in discriminatory or other illegal credit practices, identified by or provided to the OCC before the end of the institution's next performance evaluation in that subsequent evaluation, even if the information concerns activities that occurred during the evaluation period addressed in this performance evaluation.

State Rating

State of Minnesota

CRA rating for the State of Minnesota¹: Satisfactory.

The Lending Test is rated: Satisfactory.

The Community Development Test is rated: Outstanding.

The major factors that support this rating include:

- The distribution of loans to geographies of different income levels is reasonable.
- The distribution of loans to borrowers of different income levels and businesses of different sizes is reasonable.
- FNBB demonstrates excellent responsiveness to CD needs through qualified CD loans, services, and investments.
- FNBB did not receive any CRA-related complaints during the evaluation period.

Description of Institution's Operations in Minnesota

FNBB has one AA in the state of Minnesota during the evaluation period. The FNB Bemidji AA includes all of Beltrami County, one CT in Cass County, and one CT in Hubbard County. Of the 16 total census tracts in the AA, one tract is low-income, five tracts are moderate-income, nine are middle-income, and one is upper-income.

Competition within the AA is moderate and includes national and community banks. In 2024, FNBB held the highest percentage of deposits in Beltrami, Cass, and Hubbard County out of 17 deposit-taking institutions. Per the June 30, 2024, FDIC Deposit Market Share report, FNBB deposits in the area represented 29.9 percent of the total market share. Other market share leaders include First National Bank North at 16.3 percent, The Citizens National Bank of Park Rapids at 11.4 percent, Security Bank USA at 8.3 percent, and Wells Fargo Bank, N.A. at 5.8 percent.

Economic conditions within the AA were relatively stable over the evaluation period. According to the Bureau of Labor Statistics, unemployment rates in Beltrami, Cass, and Hubbard Counties slightly increased from 2022 to 2024. Cass County had the highest average unemployment rate over the evaluation period at 4.5 percent. During the evaluation period, Hubbard County's average unemployment rate was 4.2 percent and Beltrami County's average unemployment rate was 3.7 percent.

We contacted one community member in the AA to better understand the local economy and financing needs of the community. The contact represents a community development financial institution with a mission of supporting their community within the AA through the provision of resources and philanthropy. The representative highlighted the lack of childcare providers in the community and shared that this exacerbates the workforce shortages in northwestern Minnesota. The contact identified several financing needs in the AA including further financial assistance for childcare providers,

¹ This rating reflects performance within the state. The statewide evaluations do not reflect performance in the parts of those states contained within the MMSA.

mainstream banking services in banking deserts in the AA, and financial products to assist entrepreneurs lacking equity and collateral. The contact works with several local banks on gap financing and loan participation to support economic development and LMI communities.

FNB Bemidji AA

Assessment Area - FNB Bemidji AA						
						2022 - 2024
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	16	6.25	31.25	56.25	6.25	0.00
Population by Geography	54,608	3.56	36.44	57.27	2.73	0.00
Housing Units by Geography	26,333	4.62	32.80	60.07	2.52	0.00
Owner-Occupied Housing by Geography	14,469	0.88	26.75	68.73	3.64	0.00
Occupied Rental Units by Geography	6,660	15.57	52.43	30.92	1.08	0.00
Vacant Units by Geography	5,204	1.00	24.48	73.29	1.23	0.00
Businesses by Geography	1,728	5.03	32.70	61.57	0.69	0.00
Farms by Geography	110	0.91	10.91	86.36	1.82	0.00
Family Distribution by Income Level	13,078	26.64	18.96	20.19	34.21	0.00
Household Distribution by Income Level	21,129	26.89	18.16	18.21	36.74	0.00
Unemployment rate (%)	5.95	12.93	8.81	3.68	0.00	0.00
Households Below Poverty Level (%)	16.78	41.07	25.42	9.93	0.67	0.00
Median Family Income (Non-MSAs - MN)		\$74,710			Median Housing Value	\$170,000
Median Family Income (Non-MSAs - MN) for 2024		\$90,300			Median Gross Rent	\$759
					Families Below Poverty Level	12.52
FFIEC File - 2024 Census						
2024 Dun & Bradstreet SBSF Demographics						
Due to rounding, totals may not equal 100.0%						
(*) The NA category consists of geographies that have not been assigned an income classification						

Scope of Evaluation in Minnesota

The Minnesota state rating is based solely on the results from the FNB Bemidji AA, which received a full-scope review. The two primary loan products, consumer loans and business loans, were given equal weight in the analysis. Refer to Appendix A, Scope of Examination, for more information.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN MINNESOTA

LENDING TEST

The bank’s performance under the Lending Test in Minnesota is rated Satisfactory.

Conclusions for Area Receiving a Full-Scope Review

Based on a full-scope review, the bank’s lending performance in the State of Minnesota is reasonable.

Distribution of Loans by Income Level of the Geography

The bank exhibits reasonable geographic distribution of loans in the state.

Small Loans to Businesses

Refer to Table 9 in the State of Minnesota section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's originations and purchases of small loans to businesses.

The distribution of loans to businesses in geographies of different income levels in the FNB Bemidji AA is reasonable. FNBB performance in low-income CTs significantly exceeded the number of small businesses in the AA and the aggregate percentage of all reporting lenders. The bank's lending performance to businesses in moderate-income CTs was well below both comparators. Lending within moderate-income CTs is limited by geographic barriers including lakes, state forests and parks, and universities.

Consumer Loans

Refer to Table 13 in the State of Minnesota section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's consumer loan originations and purchases.

The distribution of consumer loans to borrowers in geographies of different income levels is reasonable. Lending performance in low-income CTs was near to the number of households in low-income CTs FNBB's lending performance in moderate-income CTs exceeded the number of households in moderate-income CTs.

Distribution of Loans by Income Level of the Borrower

The bank exhibits a reasonable distribution of loans to individuals of different income levels and businesses of different sizes, given the product lines offered by the bank.

Small Loans to Businesses

Refer to Table 10 in the State of Minnesota section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's originations and purchases of small loans to businesses.

The distribution of loans to small businesses is reasonable. FNBB's lending performance to small businesses was near to the number of small businesses in the AA and exceeded the aggregate lending activity to small businesses in the AA.

Consumer Loans

Refer to Table 14 in the State of Minnesota section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's consumer loan originations and purchases.

The distribution of loans to consumers of different income levels is excellent. Lending performance to LMI borrowers significantly exceeded the percentage of LMI households in the AA.

Responses to Complaints

FNBB did not receive any complaints related to the institution's CRA performance during the evaluation period.

COMMUNITY DEVELOPMENT TEST

The bank's performance under the CD Test in the state of Minnesota is rated Outstanding.

Conclusions for Area Receiving a Full-Scope Review

Based on a full-scope review, the bank exhibited excellent responsiveness to CD needs in the state through CD loans, qualified investments, and CD services, considering the bank's capacity and the need and availability of such opportunities for CD in the bank's AA.

Number and Amount of Community Development Loans

The table shown below sets forth the information and data used to evaluate the bank's level of CD lending. The table includes all CD loans, including multifamily loans that also qualify as CD loans.

Assessment Area	Total			
	#	% of Total #	\$(000's)	% of Total \$
FNB Bemidji AA	37	100.0	\$52,994	100.0

FNBB originated 37 CD loans totaling \$53.0 million during the evaluation period, representing 46.2 percent of tier one capital. CD loans benefitted the AA by providing affordable housing, community services targeted to LMI individuals, economic development, and revitalization and stabilization effects.

The following are examples of CD loans the bank originated or purchased in this AA:

- An \$8.5 million loan to renovate essential infrastructure that also created LMI jobs.
- Operating lines of credit totaling \$4.4 million to four businesses operating on the Red Lake Reservation which provide permanent jobs to LMI individuals.
- A \$3.8 million dollar loan to purchase a school building that serves primarily LMI students.

In addition to the loans that benefitted the AA, FNBB made five loans totaling \$1.9 million in the broader statewide or regional area to expand access of health services to Medicaid-eligible households.

Number and Amount of Qualified Investments

FNBB exhibits adequate responsiveness to the CD investment needs in the AA. The Qualified Investment table, shown below, sets forth the information and data used to evaluate the bank's level of qualified CD investments.

Assessment Area	Prior Period*		Current Period		Total				Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	% of Total #	\$(000's)	% of Total \$	#	\$(000's)
FNB Bemidji AA	2	\$1,505	45	\$1,286	47	90.0	\$2,791	52.6	0	0
Broader Statewide or Regional Area	3	\$2,513	2	\$1	5	10.0	\$2,514	47.4	0	0
Total	5	\$4,019	47	\$1,286	52	100.0	\$5,305	100.0	0	0

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

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

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

FNBB had 45 qualified CD investments totaling \$1.3 million in its AA during the evaluation period. Additionally, FNBB retained five prior period investments with an outstanding balance of \$4.0 million as of December 31, 2024. Both new and prior period investments support access to affordable housing in the AA. Investments in the AA represent 2.4 percent of tier one capital.

Specific examples of FNBB's CD investments include:

- A new \$1 million investment in the Minnesota Housing Finance agency to support affordable housing efforts in the state of Minnesota, including the bank's AA.

In addition to the investments, FNBB donated \$286 thousand to 19 different organizations in the AA supporting affordable housing, community services to LMI individuals, economic development, and revitalization efforts.

Specific examples of FNBB's CD donations include:

- A \$150 thousand donation to provide critical health services in the AA.
- A \$54 thousand donation to provide emergency shelter, food assistance, and other community services for LMI individuals.

FNBB also provided two donations totaling \$550 to organizations in the broader statewide or regional area to provide scholarships at a school where a majority of the students receive free or reduced lunch, and a facility providing addiction and recovery services.

Extent to Which the Bank Provides Community Development Services

FNBB exhibits good responsiveness to CD service needs in the AA. Twenty employees provided over 2,700 hours of community service to ten different organizations. These organizations provided access to community services to LMI individuals, economic development opportunities, and the creation of affordable housing. The majority of employees served in leadership capacities for these charitable organizations.

The following are examples of CD services provided by employees:

- One employee served 100 hours on the board of a nonprofit workforce development organization that supports job training and retention.
- One employee served 70 hours on the board of a nonprofit organization that supports youth mentorship for LMI students.
- One employee served 100 hours on the board of a local nonprofit that provides a range of community development services to LMI.

Appendix A: Scope of Examination

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

Time Period Reviewed:	January 1, 2022, to December 31, 2024	
Bank Products Reviewed:	Lending Test: Small business and consumer loans Community Development Test: CD loans, qualified investments, and CD services	
Affiliate(s)	Affiliate Relationship	Products Reviewed
The FNB of Bemidji Foundation	Affiliate	N/A
The FNB Bemidji ESOP	Affiliate	N/A
List of Assessment Areas and Type of Examination		
Rating and Assessment Areas	Type of Exam	Other Information
Minnesota		
FNB Bemidji AA	Full Scope	The AA includes all of Beltrami County, CT 0701.00 in Hubbard County, and CT 9400.02 in Cass County.

Appendix B: Summary of MMSA and State Ratings

RATINGS			
Overall Bank:	Lending Test Rating*	CD Test Rating	Overall Bank/State/Multistate Rating
FNB Bemidji	Satisfactory	Outstanding	Satisfactory
MMSA or State:			
Minnesota	Satisfactory	Outstanding	Satisfactory

(*) The Lending Test and Community Development Test carry equal weight in the overall rating.

Appendix C: Definitions and Common Abbreviations

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

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

Aggregate Lending (Aggt.): The number of loans originated and purchased by all reporting lenders (HMDA or CRA) in specified income categories as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the state/assessment area.

Census Tract (CT): A small, relatively permanent statistical subdivision of a county delineated by a local committee of census data users for the purpose of presenting data. Census tracts nest within counties, and their boundaries normally follow visible features, but may follow legal geography boundaries and other non-visible features in some instances, Census tracts ideally contain about 4,000 people and 1,600 housing units.

Combined Statistical Area (CSA): A geographic entity consisting of two or more adjacent Core Based Statistical Areas with employment interchange measures of at least 15. An employment interchange measure is a measure of ties between two adjacent entities. The employment interchange measure is the sum of the percentage of workers living in the smaller entity who work in the larger entity and the percentage of employment in the smaller entity that is accounted for by workers who reside in the larger entity.

Community Development (CD): Affordable housing (including multifamily rental housing) for low- or moderate-income individuals; community services targeted to low- or moderate-income individuals; activities that promote economic development by financing businesses or farms that meet Small Business Administration Development Company or Small Business Investment Company programs size eligibility standards or have gross annual revenues of \$1 million or less; or activities that revitalize or stabilize low- or moderate-income geographies, distressed or underserved nonmetropolitan middle-income geographies, or designated disaster areas.

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

Consumer Loan(s): A loan(s) to one or more individuals for household, family, or other personal expenditures. A consumer loan does not include a home mortgage, small business, or small farm loan. This definition includes the following categories: motor vehicle loans, credit card loans, 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 (e.g., geographic distribution, borrower distribution, and total number and dollar amount of investments), and qualitative factors (e.g., innovativeness, complexity, and responsiveness).

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

Home Mortgage Disclosure Act (HMDA): The statute that requires certain mortgage lenders that conduct business or have banking offices in a metropolitan statistical area to file annual summary reports of their mortgage lending activity. The reports include such data as the race, gender, and the income of applicants, the amount of loan requested, the disposition of the application (e.g., approved, denied, and withdrawn), the lien status of the collateral, any requests for preapproval, and loans for manufactured housing.

Home Mortgage Loans: A closed-end mortgage loan or an open-end line of credit as these terms are defined under 12 CFR 1003.2, and that is not an excluded transaction under 12 CFR 1003.3(c)(1) through (c)(10) and (c)(13).

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 (e.g., geographic distribution, borrower distribution, total number and dollar amount of CD loans and qualified investments, branch distribution, and CD services).

Low-Income: Individual income that is at 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 state/assessment area.

Median Family Income (MFI): The median income determined by the U.S. Census Bureau every five years and used to determine the income level category of geographies. The median is the point at which half of the families have income above, and half below, a range of incomes. Also, the median income determined by the Federal Financial Institutions Examination Council (FFIEC) annually that is used to determine the income level category of individuals. For any given area, the median is the point at which half of the families have income above, and half below, a range of incomes.

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

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

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

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

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

Multistate Metropolitan Statistical Area (MMSA): Any multistate metropolitan statistical area or multistate combined statistical area, as defined by the Office of Management and Budget.

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.

Prior Period Investments: Investments made in a previous evaluation period that are outstanding as of the end of the evaluation period.

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

Rating Area: A rated area is a state or multistate metropolitan statistical 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 statistical area, the institution will receive a rating for the multistate metropolitan statistical area.

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

Small Loan(s) to Farm(s): A loan included in 'loans to small farms' as defined in the instructions for preparation of the Consolidated Report of Condition and Income (Call Report). These loans have

original amounts of \$500,000 or less and are either secured by farmland or are classified as loans to finance agricultural production and other loans to farmers.

Tier 1 Capital: The total of common shareholders' equity, perpetual preferred shareholders' equity with non-cumulative dividends, retained earnings and minority interests in the equity accounts of consolidated subsidiaries.

Unfunded Commitments: Legally binding investment commitments that are tracked and recorded by the institution's financial reporting system.

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

Appendix D: Tables of Performance Data

Content of Standardized Tables

A separate set of tables is provided for each state. All multistate metropolitan statistical areas, if applicable, are presented in one set of tables. References to the “bank” include activities of any affiliates that the bank provided for consideration (refer to appendix A: Scope of the Examination). For purposes of reviewing the Lending Test tables, the following are applicable: (1) purchased are treated as originations; and (2) “aggregate” is the percentage of the aggregate number of reportable loans originated and purchased by all HMDA or CRA-reporting lenders in the MMSA/AA. Deposit data are compiled by the FDIC and are available as of June 30th of each year. Tables without data are not included in this PE.

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

- Table 9. Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography** - The percentage distribution of the number of small loans (less than or equal to \$1 million) to businesses that were originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of businesses (regardless of revenue size) in those geographies. Because aggregate small business data are not available for geographic areas smaller than counties, it may be necessary to compare bank loan data to aggregate data from geographic areas larger than the bank’s AA.
- Table 10. Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenue** - Compares the percentage distribution of the number of small loans (loans less than or equal to \$1 million) originated and purchased by the bank to businesses with revenues of \$1 million or less to: 1) the percentage distribution of businesses with revenues of greater than \$1 million; and, 2) the percentage distribution of businesses for which revenues are not available. The table also presents aggregate peer small business data for the years the data is available.
- Table 13. Assessment Area Distribution of Consumer Loans by Income Category of the Geography** - Compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of households in those geographies.
- Table 14. Assessment Area Distribution of Consumer Loans by Income Category of the Borrower** - Compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage distribution of households by income level in each MMSA/AA.

The total loan amount presented in the tables for each assessment area may differ from the total loan amount reported in the aggregate table due to how the underlying loan data is rounded in each table.

State of Minnesota

Table 9: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography

Assessment Area:	2022 - 2024																		
	Total Loans to Small Businesses				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$	% of Total Number	Overall Market	% Businesses	Bank Loans	% Aggregate	% Businesses	Bank Loans	% Aggregate	% Businesses	Bank Loans	% Aggregate	% Businesses	Bank Loans	% Aggregate	% Businesses	Bank Loans	% Aggregate
FNB Bemidji AA 2024	60	\$5,136,717.72	100	2,503	5.03	8.30	3.08	32.70	18.30	30.88	61.57	66.70	62.92	0.69	6.70	1.24	--	--	--
Total	60	\$5,136,717.72	100	2,503	5.03	8.30	3.08	32.70	18.30	30.88	61.57	66.70	62.92	0.69	6.70	1.24	--	--	--

Source: FFIEC File - 2024 Census; 1/1/2022 - 12/31/2024 Bank Data, 2024 Dunn & Bradstreet SBSF Demographics, 2022, 2023 CRA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0%

Table 10: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues

Assessment Area:	2022 - 2024												
	Total Loans to Small Businesses				Businesses with Revenues <= 1MM			Businesses with Revenues > 1MM			Businesses with Revenues Not Available		
	#	\$	% of Total Number	Overall Market	% Businesses	Bank Loans	% Aggregate	% Businesses	Bank Loans	% Aggregate	% Businesses	Bank Loans	% Aggregate
FNB Bemidji AA 2024	20	\$959,312.78	100	2,503	78.13	65.00	56.05	11.00	11.00	35.00	10.88	10.88	--
Total	20	\$959,312.78	100	2,503	78.13	65.00	56.05	11.00	11.00	35.00	10.88	10.88	--

Source: FFIEC File - 2024 Census; 1/1/2022 - 12/31/2024 Bank Data, 2024 Dunn & Bradstreet SBSF Demographics, 2022, 2023 CRA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0%

Table 13: Assessment Area Distribution of Consumer Loans by Income Category of the Geography 2022 - 2024

Assessment Area:	Total Consumer Loans		Low-Income Tracts		Moderate-Income Tracts		Middle-Income Tracts		Upper-Income Tracts		Not Available-Income Tracts	
	#	\$	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans
FNB Bemidji AA 2024	20	\$329,683.69	100	5.00	34.85	35.00	56.81	55.00	2.83	5.00	--	--
Total	20	\$329,683.69	100	5.00	34.85	35.00	56.81	55.00	2.83	5.00	--	--

Source: FFIEC File - 2024 Census; 1/1/2022 - 12/31/2024 Bank Data.
 Due to rounding, totals may not equal 100.0%

Table 14: Assessment Area Distribution of Consumer Loans by Income Category of the Borrower 2022 - 2024

Assessment Area:	Total Consumer Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Not Available-Income Borrowers	
	#	\$	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans
FNB Bemidji AA 2024	20	\$329,638.69	100	26.90	18.17	25.00	18.22	20.00	36.72	25.00	--	--
Total	20	\$329,638.69	100	26.90	18.17	25.00	18.22	20.00	36.72	25.00	--	--

Source: FFIEC File - 2024 Census; 1/1/2022 - 12/31/2024 Bank Data, "--" data not available.
 Due to rounding, totals may not equal 100.0%