

PUBLIC DISCLOSURE

May 20, 2024

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Peoples Independent Bank
Certificate Number: 27233

121 Billy B. Dyar Boulevard
Boaz, Alabama 35957

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

10 10th Street NE, Suite 900
Atlanta, Georgia 30309-3849

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 area, including low- and moderate-income neighborhoods, in a manner consistent with its resources and capabilities.

The Lending Test is rated Satisfactory.

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

The Community Development Test is rated Satisfactory.

The bank's community development performance demonstrates adequate responsiveness to the community development needs in its assessment areas. The bank met these needs through community development loans, qualified investments, and community development services, as appropriate. Examiners considered the bank's capacity and the need and availability of such opportunities for community development in its assessment areas.

DESCRIPTION OF INSTITUTION

Peoples Independent Bank (PIB) is a commercial bank headquartered in Boaz (Marshall County), Alabama. The bank is wholly owned by Peoples Independent Bancshares, Inc., a two-bank holding company located in Boaz, Alabama. The affiliate bank is First Bank Wadley, Alabama. However, this bank was sold during the review period. The bank continues to operate with a mortgage division, PIB Mortgage. PIB received a "Satisfactory" rating at its April 13, 2021 FDIC CRA performance evaluation, which was prepared using the Interagency Small Bank Examination Procedures.

PIB operates nine full-service offices throughout five counties in northeastern Alabama. The Main Office and one branch are located in Marshall County. Three branch offices are located in DeKalb County, and one in Jackson, Madison, Etowah, and St. Clair Counties. The bank closed its loan production office in Gadsden, Alabama (Etowah County) in May 2022. No other offices have been opened or closed since the last evaluation.

PIB offers a variety of products and services to meet the needs of its communities. Commercial credit products include business credit cards, agricultural loans, commercial real estate loans, and commercial lines of credit. Consumer credit products include consumer credit cards, automobile loans, personal lines of credit, home equity lines of credit, and one-to-four family residential mortgages. Deposit products offered include checking, savings, and money market accounts, certificates of deposit, and individual retirement accounts. Alternative banking services include internet banking, mobile banking (including mobile deposits), telephone banking, and automated teller machines.

Ability and Capacity

PIB's assets totaled \$449.2 million as of March 31, 2024. Total loans and total deposits were \$189.0 million and \$401.2 million, respectively. The bank's primary business focus is commercial lending, and the loan portfolio composition has remained stable since the previous evaluation. As illustrated in the following table, loans secured by nonfarm, nonresidential properties and commercial and industrial loans comprise 58.7 percent of total loans, loans secured by one-to-four family residential properties comprise 17.9 percent of total loans, and agricultural loans and loans secured by farmland comprise 3.4 percent of total loans.

Loan Portfolio Distribution as of 3/31/2024		
Loan Category	\$(000s)	%
Construction and Land Development	18,277	9.7
Secured by Farmland	4,648	2.4
Secured by 1-4 Family Residential Properties	33,782	17.9
Secured by Multifamily (5 or more) Residential Properties	5,331	2.8
Secured by Nonfarm Nonresidential Properties	81,215	43.0
Total Real Estate Loans	143,253	75.8
Commercial and Industrial Loans	29,700	15.7
Agricultural Loans	1,922	1.0
Consumer Loans	6,144	3.3
Other Loans	7,976	4.2
Total Loans	188,995	100.0

Source: Report of Condition and Income (CALL Report) 3/31/2024

PIB provides for the credit needs of its communities in a manner consistent with its size, financial condition, resources, and local economic conditions. Examiners did not identify any financial, legal, or other impediments that limited the bank's ability to meet the credit needs of its assessment areas during the evaluation period.

DESCRIPTION OF ASSESSMENT AREAS

The CRA requires each financial institution to define one or more assessment areas within which its performance will be evaluated. PIB has delineated four assessment areas, which remain unchanged since the previous evaluation. The assessment areas consist of whole census tracts and do not arbitrarily exclude low- or moderate-income areas. The assessment areas are comprised of all or portions of counties located in both metropolitan statistical areas (MSAs) or non-MSAs (NMSAs). The following table provides geographical details about the assessment areas. Please refer to the individual discussions of the assessment areas for additional details.

Description of Assessment Areas			
Assessment Area	Counties in Assessment Area	# of CTs	# of Branches
Alabama NMSA	Marshall, Jackson, DeKalb	63	6
Gadsden, Alabama (AL) MSA	Etowah	33	1
Madison County	Madison	4	1
St. Clair County	St. Clair	2	1

Source: Bank Data

SCOPE OF EVALUATION

General Information

This evaluation covers the period from the prior evaluation dated April 13, 2021, to the current evaluation dated May 20, 2024. Examiners used Interagency Intermediate Small Institution Examination Procedures to evaluate PIB's CRA performance. These procedures include two tests: the Lending Test and the Community Development Test. Refer to the Appendices for details regarding the criteria used under each test. A bank must achieve at least a Satisfactory rating under each test to obtain an overall Satisfactory rating. This evaluation does not include any lending activity performed by affiliates.

Examiners conducted a full-scope review of the bank's CRA performance in the Alabama NMSA and Gadsden, AL MSA assessment areas. Examiners conducted a limited-scope review of the bank's performance in the Madison County and St. Clair County assessment areas due to the limited volume of lending activity since the previous evaluation. The Alabama NMSA assessment area received the greatest weight when determining the overall rating, as a significant majority of loans were originated in this assessment area during the evaluation period. Further, the Alabama NMSA assessment area includes the largest percentage of branches across all assessment areas.

Activities Reviewed

PIB's major products are small business loans, followed by home mortgage loans. This conclusion considered the bank's business strategy, as well as the number and dollar volume of loans originated during the evaluation period. The bank's record of originating small business loans contributed more weight to the overall Lending Test conclusions because of the larger volume of originations by number and dollar when compared to the home mortgage loans. Small farm loans were not reviewed, as they made up less than 5 percent of the portfolio as of the March 31, 2024 Report of Condition and Income (Call Report), and the analysis would not be meaningful.

Examiners reviewed all small business loans originated in 2023. In total, the bank originated 194 small business loans totaling \$19.1 million during this timeframe. The universe of loans was reviewed to evaluate the bank's small business performance relative to the Assessment Area Concentration, Geographic Distribution, and Borrower Profile. The bank is not subject to CRA small business loan data collection and reporting requirements; therefore, examiners did not compare the bank's performance to aggregate small business lending data. Instead, examiners compared the bank's small business lending performance to the 2023 Dun & Bradstreet (D&B) business demographic data and the 2020 census data.

In addition, examiners reviewed all loans subject to the Home Mortgage Disclosure Act (HMDA) for 2023. The 2023 HMDA-Loan Application Register (LAR) included 48 originated loans totaling \$9.4 million. The bank was not subject to the HMDA reporting requirements in 2021 and 2022. Additionally, aggregate data is not available for 2023. Therefore, the bank's lending performance was compared to 2023 demographic data and 2020 census data.

For the Lending Test, examiners reviewed the number and dollar volume of the small business, and home mortgage loans. While number and dollar volume of loans are presented, examiners emphasized performance by number of loans because the number of loans is a better indicator of the number of businesses and individuals served. Examiners also reviewed lending performance and discussed any observed anomalies, where appropriate, under the Geographic Distribution and Borrower Profile performance factors. For the Community Development Test, bank management provided bank records for community development loans, qualified investments, and community development services made since the previous evaluation.

CONCLUSIONS ON PERFORMANCE CRITERIA

LENDING TEST

Overall, PIB demonstrated reasonable performance under the Lending Test. This conclusion is supported by a reasonable LTD ratio, a majority of loans originated in the bank's assessment areas, a reasonable dispersion of loans throughout the assessment areas, and a reasonable penetration of loans among individuals of different income levels and businesses of different sizes.

Loan-to-Deposit Ratio

The LTD ratio is reasonable given the bank's size, financial condition, and assessment areas credit needs. PIB's LTD ratio, calculated from Call Report data, averaged 46.6 percent over the past 11 calendar quarters from June 30, 2021, to March 31, 2024. The ratio declined during the global pandemic but recovered in 2023. The LTD ratio ranged from a high of 49.3 percent, as of December 31, 2023, to a low of 41.2 percent, as of June 30, 2022. The following table presents the average LTD ratio for PIB as well as two similarly-situated banks. The banks were deemed similarly-situated in terms of total asset size and lending focus. As shown in the following table, PIB maintained an average LTD ratio that was comparable to the similarly-situated banks. Additionally, the bank continues to sell loans on the secondary market. These loans are not included in its LTD ratio calculations.

Loan-to-Deposit Ratio Comparison		
Bank	Total Assets as of 3/31/2024 (\$000s)	Average Net LTD Ratio (%)
Peoples Independent Bank (Boaz, Alabama)	449,260	46.6
First National Bank (Hamilton, Alabama)	364,031	45.6
Exchange Bank of Alabama (Altoona, Alabama)	369,009	59.8

Source: Call Reports 6/30/2021 through 3/31/2024

Assessment Area Concentration

As noted in the following table, PIB originated a majority of home mortgage and small business, by number, within the assessment areas. The following table illustrates this.

Lending Inside and Outside of the Assessment Areas												
Loan Category	Number of Loans				Total #	Dollar Amount of Loans				Total \$		
	Inside		Outside			Inside		Outside				
	#	%	#	%		\$	%	\$	%			
Home Mortgage 2023	46	95.8	2	4.2	48	9,012	95.8	394	4.2	9,406		
Small Business	172	88.7	22	11.3	194	14,867	78.0	4,202	22.0	19,069		
Total	218	90.1	24	9.9	242	23,879	83.9	4,596	16.1	28,475		

Source: Bank Data
Due to rounding, totals may not equal 100.0%

Geographic Distribution

The geographic distribution of small business and home mortgage loans reflects a reasonable dispersion throughout the assessment areas. This conclusion is consistent with the conclusions of each assessment area reviewed using full-scope evaluation procedures. Only loans originated inside the assessment areas are included in this analysis.

Borrower Profile

The distribution of borrowers reflects, given the demographics of the assessment areas, a reasonable penetration among businesses of different sizes and individuals of different income levels (including low- and moderate-income). This conclusion is consistent with the conclusions of each assessment area reviewed using full-scope evaluation procedures. Only loans originated inside the assessment areas are included in this analysis.

Response to Complaints

The bank has not received any CRA-related complaints since the previous evaluation. Therefore, this criterion did not affect the Lending Test rating.

COMMUNITY DEVELOPMENT TEST

PIB's community development performance demonstrates an adequate responsiveness to the community development needs of the assessment areas. The bank met those needs through community development loans, qualified investments, and community development services. Examiners considered the institution's capacity and the need and availability of such opportunities.

Community Development Loans

The bank originated 77 community development loans totaling \$7.2 million during the evaluation period. This level of activity represents 1.6 percent of total assets and 3.8 percent of total loans. The bank's performance is comparable to similarly-situated institutions. The following table shows the bank's community development loans by year and purpose. Refer to each individual assessment area for additional details.

Community Development Lending										
Activity Year	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
2021 (partial year)					73	3,580			73	3,580
2022	1	800							1	800
2023	1	2,400	1	201					2	2,601
YTD 2024					1	250			1	250
Total	2	3,200	1	201	74	3,830			77	7,231

Source: Bank Data

Qualified Investments

PIB made 55 qualified investments and donations totaling \$2.5 million. The dollar amount of the equity investments equates to .6 percent of total assets and 1.5 percent of total securities. The percentages are similar to the similarly-situated institutions. The following table shows the bank's qualified investments by year and purpose. Refer to each individual assessment area for additional details.

Qualified Investments										
Activity Year	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
2021 (partial year)			-	-	-	-	-	-	-	-
2022			-	-	2	1,335			2	1,335
2023			-	-	1	1,000	-	-	1	1,000
2024 YTD			-	-	-	-	-	-	-	-
Subtotal			-	-	3	2,335			3	2,335
Qualified Grants & Donations			52	115					52	115
Total			52	115	3	2,335			55	2,450

Source: Bank Data

Total investments include a \$1.0 million investment in a Community Development Financial Institution (CDFI).

Community Development Services

During the evaluation period, employees provided 138 hours of financial expertise or technical assistance to 18 community development-related organizations. These services benefitted the NMSA assessment area. The bank's performance is comparable to the similarly-situated institutions. The following table illustrates the bank's community development services by year and purpose. Refer to each individual assessment area for additional details.

Community Development Services by Year					
Year	Affordable Housing	Community Services	Economic Development	Revitalize or Stabilize	Total
	#	#	#	#	#
2021 (partial year)	0	0	0	0	0
2022	0	59	0	0	59
2023	0	74	0	0	74
2024 (YTD)	0	5	0	0	5
Total	0	138	0	0	138

Source: Bank Data

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.

ALABAMA NMSA ASSESSMENT AREA – Full-Scope Review

DESCRIPTION OF INSTITUTION'S OPERATIONS IN THE ALABAMA NMSA ASSESSMENT AREA

PIB operates six of its nine full-service branches in the Alabama NMSA assessment area. The assessment area includes all 26 census tracts in Marshall County, all 21 census tracts in DeKalb County, and all 16 census tracts in Jackson County. The assessment area's census tracts reflect the following income designations:

- 5 moderate-income census tracts
- 45 middle-income census tracts, and
- 13 upper-income census tracts.

Due to the updated 2020 census data, the assessment area has changed since the last evaluation when the area consisted of a total of 43 census tracts, including three moderate-income, 16 middle-income, and 17 upper-income census tracts. The assessment area did not include any low-income census tracts.

Economic and Demographic Data

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

Demographic Information of the Assessment Area								
Assessment Area: Alabama NMSA								
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #		
Geographies (Census Tracts)	63	0.0	7.9	71.4	20.6	0.0		
Population by Geography	221,799	0.0	7.5	73.5	19.0	0.0		
Housing Units by Geography	97,220	0.0	8.0	73.4	18.6	0.0		
Owner-Occupied Units by Geography	60,604	0.0	8.0	71.2	20.8	0.0		
Occupied Rental Units by Geography	21,243	0.0	7.5	79.9	12.6	0.0		
Vacant Units by Geography	15,373	0.0	8.5	73.3	18.2	0.0		
Businesses by Geography	15,865	0.0	4.4	71.9	23.7	0.0		
Farms by Geography	884	0.0	7.8	71.6	20.6	0.0		
Family Distribution by Income Level	58,187	21.2	17.8	19.7	41.3	0.0		
Household Distribution by Income Level	81,847	22.0	15.3	17.2	45.5	0.0		
Median Family Income Non-MSAs - AL	\$55,960	Median Housing Value			\$125,691			
				Median Gross Rent				
				Families Below Poverty Level				

Source: 2020 U.S. Census and 2023 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.

The Geographic Distribution criterion compares home mortgage loans to the distribution of owner-occupied housing units and small business loans to the percentage of businesses located in low-, moderate-, middle-, and upper-income census tracts. Only 8.0 percent of the owner-occupied housing units and 4.4 percent of businesses are located in the moderate-income census tracts. This data indicates limited owner-occupied home mortgage and small business lending opportunities in the moderate-income census tracts. Further, 14.5 percent of families have incomes below the federal poverty level, which poses a challenge for home mortgage lending to low-income families, as these families may have difficulty in qualifying for a conventional home mortgage loan.

Examiners used the FFIEC-updated median family income figures to analyze home mortgage lending under the Borrower Profile criterion. The following table reflects low-, moderate-, middle-, and upper-income categories in the assessment area.

Median Family Income Ranges				
Median Family Incomes	Low <50%	Moderate 50% to <80%	Middle 80% to <120%	Upper ≥120%
Alabama NMSA Median Family Income (99999)				
2023 (\$65,700)	<\$32,850	\$32,850 to <\$52,560	\$52,560 to <\$78,840	≥\$78,840
Source: FFIEC				

According to 2023 D&B data, there were 15,865 businesses in the assessment area. The analysis of small business loans under the Borrower Profile criterion compares the distribution of businesses by gross annual revenue (GAR) level. The following reflects GARs for these businesses:

- 85.7 percent had \$1.0 million or less,
- 3.3 percent had more than \$1.0 million, and
- 11.0 percent had unknown revenues.

According to 2023 D&B data, the assessment area's largest industries include services at 31.3 percent; non-classifiable establishments at 18.6 percent; and retail trade at 14.2 percent. According to a local economic development corporation, the assessment area's major employers include Alatrade Foods (Marshall County), Tyson Foods (Marshall County), Maple Industries (Jackson County), and Children's Place Distribution Center (DeKalb County).

Data obtained from the U.S. Bureau of Labor Statistics indicates very little change in the unemployment rate during the evaluation period. As illustrated in the following table, the annual rates were static during the review period with a small increase in the monthly rates in 2024, tracking below the State of Alabama unemployment rate and the national average.

Area	Unemployment Rates		
	2022 %	2023 %	April 2024 %
Marshall County	2.0	2.1	2.2
DeKalb County	2.3	2.3	2.4
Jackson County	2.4	2.5	2.6
State of Alabama	2.5	2.5	3.1
United States	3.6	3.6	3.9

Source: Bureau of Labor Statistics (not seasonally adjusted)

Competition

The assessment area is competitive in the market for financial services. According to FDIC Deposit Market Share data as of June 30, 2023, 21 financial institutions operated a total of 75 branches within the assessment area. Of these institutions, PIB ranked fifth, with a deposit market share of 6.7 percent.

Significant competition exists in the assessment area for home mortgage loans among banks, credit unions, and non-depository mortgage lenders. According to 2022 Peer Mortgage Data, 320 HMDA-reportable institutions originated 8,891 one-to-four family mortgage loans in the assessment area. The top five lenders, by number of loans, included Redstone Federal Credit Union; Vanderbilt Mortgage; Regions Bank; Rocket Mortgage; and Fairway Independent Mortgage Corporation, accounting for a combined 21.3 percent of the total market share.

Significant competition exists in the assessment area for small business loans. According to 2022 Peer Small Business Data, 82 lenders reported 3,528 small business loans. American Express

National Bank was the top small business lender, by number of loans, accounting for 19.7 percent of the total market share.

Community Contact

During CRA evaluations, examiners conduct community contacts to develop a better understanding of the demographic, economic, and credit needs of an institution's assessment area(s). This information helps determine whether local financial institutions are responsive to these needs. It also shows what credit and community development opportunities are available. Examiners contacted a representative of an economic development organization in the assessment area. The contact indicated that area growth has been consistent. Major economic drivers include tourism, which is mostly attributed to Lake Guntersville in Marshall County. The contact stated the assessment area has a need for financial education, affordable housing, childcare services, and public transportation. The contact also noted that local financial institutions are willing to provide loans to the community; however, loan product offerings are limited.

Credit and Community Development Needs and Opportunities

Considering information obtained from the community contact, bank management, and demographic and economic data, examiners determined there are credit opportunities available. There is an opportunity for financial institutions within the assessment area to work with small businesses to help meet their credit and funding needs.

CONCLUSIONS ON PERFORMANCE CRITERIA IN THE ALABAMA NMSA ASSESSMENT AREA

LENDING TEST

PIB demonstrated satisfactory performance under the Lending Test. This conclusion is supported by the overall reasonable geographic distribution and borrower profile performance.

Geographic Distribution

The geographic distribution of small business and home mortgage loans reflects a reasonable dispersion throughout the assessment area.

Small Business Loans

The geographic distribution of small business loans located in the assessment area reflects adequate dispersion throughout the assessment area. The bank's performance in moderate-income census tracts is comparable to demographic data.

Geographic Distribution of Small Business Loans					
Assessment Area: Alabama NMSA					
Tract Income Level	% of Businesses	#	%	\$ (000s)	%
Moderate	4.4	5	4.5	123	1.3
Middle	71.9	92	82.1	7,924	83.4
Upper	23.7	15	13.4	1,456	15.3
Not Available	0.0	0	0.0	0	0.0
Totals	100.0	112	100.0	9,503	100.0

Source: 2023 D&B Data; Bank Data
Due to rounding, totals may not equal 100.0%

Home Mortgage Loans

The geographic distribution of home mortgage loans reflects a reasonable dispersion throughout the assessment area. The bank's lending performance was slightly below demographic data. Competition may affect lending opportunities in these tracts, given the low number of owner-occupied housing units in the moderate-income census tracts. As previously noted, the bank faces significant competition for home mortgage loans in this assessment area. The following table further details the bank's lending performance.

Geographic Distribution of Home Mortgage Loans					
Assessment Area: Alabama NMSA					
Tract Income Level	% of Owner-Occupied Housing Units	#	%	\$ (000s)	%
Moderate	8.0	1	3.2	58	1.2
Middle	71.2	26	83.9	3,873	81.1
Upper	20.8	4	12.9	848	17.7
Total	100.0	31	100.0	4,779	100.0

Source: 2020 U.S. Census, Bank Data
Due to rounding, totals may not equal 100.0%

Borrower Profile

Overall, the distribution of borrowers reflects reasonable penetration among businesses of different sizes and individuals of different income levels. This conclusion is primarily based on the reasonable penetration of small business lending.

Small Business Loans

The distribution of borrowers reflects reasonable penetration among businesses of different sizes. Lending to small businesses with GARs of \$1 million or less was slightly less than the percentage of businesses in the assessment area with GARs of \$1 million or less. The following table illustrates the distribution of loans by GAR.

Distribution of Small Business Loans by Gross Annual Revenue Category					
Assessment Area: Alabama NMSA					
Gross Revenue Level	% of Businesses	#	%	\$ (000s)	%
<=\$1,000,000	85.7	93	83.0	5,303	55.8
>\$1,000,000	3.3	19	17.0	4,200	44.2
Revenue Not Available	11.0	0	0.0	0	0.0
Total	100.0	112	100.0	9,503	100.0

*Source: 2023 D&B Data, Bank Data.
Due to rounding, totals may not equal 100.0%.*

Home Mortgage Loans

The distribution of borrowers reflects poor penetration among individuals of different income levels, as illustrated in the following table. The bank's lending to low- and moderate-income borrowers was below the demographic data.

Distribution of Home Mortgage Loans by Borrower Income Level					
Assessment Area: Alabama NMSA					
Borrower Income Level	% of Families	#	%	\$ (000s)	%
Low	21.2	3	9.7	73	1.5
Moderate	17.8	2	6.5	170	3.6
Middle	19.7	2	6.5	171	3.6
Upper	41.3	11	35.5	1,758	36.8
Not Available	0.0	13	41.9	2,607	54.6
Total	100.0	31	100.0	4,779	100.0

*Source: 2020 U.S. Census; Bank Data
Due to rounding, totals may not equal 100.0%.*

COMMUNITY DEVELOPMENT TEST

PIB's community development performance demonstrates adequate responsiveness to community development needs in the Alabama NMSA assessment area through community development loans, qualified investments, and community development services, as appropriate, considering the bank's capacity and the need and availability of such opportunities for community development in the assessment area.

Community Development Loans

During the evaluation period, PIB originated or renewed 53 community development loans totaling \$2.0 million in the Alabama NMSA assessment area. This represents 27.8 percent, by dollar volume, of the bank's community development loans.

Community Development Lending										
Activity Year	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
2021 (partial year)	0	0	0	0	50	786	0	0	50	786
2022	1	800	0	0	0	0	0	0	1	800
2023	0	0	1	202	0	0	0	0	1	202
YTD 2024	0	0	0	0	1	250	0	0	1	250
Total	1	800	1	202	51	1,036	0	0	53	2,038

Source: Bank Data

Below are notable examples of the bank's community development loans within this assessment area:

- In 2023, the bank refinanced a \$202,000 loan for the construction of a food bank. This nonprofit agency serves the low- and moderate-income community.
- In 2024, the bank made a \$250,000 loan to finance the opening of a rural health facility in a moderate-income census tract.
- In 2022, the bank originated a loan totaling \$800,000 to renovate 15 investment properties. The units provide below market rents to low- and moderate-income families and are located in low- and moderate-income census tracts.

Qualified Investments

PIB made one qualifying investment totaling \$945,000 and 49 qualifying donations totaling \$112,000 in this assessment area. These investments represent 44.0 percent of total qualified investments by dollar volume. The one investment was for a revenue bond used for capital improvements to a Title One school. The bank's performance is comparable to the similarly-situated institutions.

Community Development Services

During the evaluation period, PIB's staff provided 122 community development service hours to 16 organizations, which represents 88.4 percent of total community development services. The organizations benefitted the assessment area by providing essential services to low- and moderate-income individuals. The following table illustrates the bank's community development services by year and purpose.

Year	Community Development Services by Year				
	Affordable Housing	Community Services	Economic Development	Revitalize or Stabilize	Total
	#	#	#	#	#
2021 (partial year)	0	0	0	0	0
2022	0	59	0	0	59
2023	0	63	0	0	63
2024 (YTD)	0	0	0	0	0
Total	0	122	0	0	122

Source: Bank Data

In helping to meet the needs of, and to make products and services more widely available to low- and moderate-income individuals and census tracts, the bank maintains two branches near moderate-income census tracts. Also, PIB specifically targets several products to low- and moderate-income consumers. In particular, the bank offers two low-cost deposit accounts. Below are notable examples of the bank's community development services:

- During 2021-2023, an officer served on the Board of Directors for an economic development organization that oversees opportunities for economic growth and job creation.
- During 2021-2024, the bank provided financial education, reaching 250 individuals.

GADSDEN, AL MSA ASSESSMENT AREA – Full-Scope Review

DESCRIPTION OF INSTITUTION'S OPERATIONS IN THE GADSDEN, AL MSA ASSESSMENT AREA

PIB operates one of its nine full-service branches in the Gadsden, AL MSA assessment area. The assessment area includes all 33 census tracts in Etowah County, which comprises all of the Gadsden, AL MSA. The number of census tracts has increased since the previous evaluation due to the 2020 U. S. Census. The total number of census tracts increased from 30 to 33, while the total number of upper-income census tracts increased from five to eight. The bank's Hokes Bluff office is separated from the moderate-income census tracts by a river that has limited crossings. This barrier impacts the bank's lending in the moderate-income census tracts. The assessment area's census tracts reflect the following income designations:

- 3 low-income census tracts,
- 7 moderate-income census tracts,
- 14 middle-income census tracts,
- 8 upper-income census tracts, and
- 1 census tract with no income designation.

Economic and Demographic Data

The following table illustrates select demographic characteristics of the Gadsden, AL MSA assessment area.

Demographic Information of the Assessment Area						
Assessment Area: Gadsden, AL MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	33	9.1	21.2	42.4	24.2	3.0
Population by Geography	103,436	5.6	14.6	46.2	32.1	1.5
Housing Units by Geography	47,805	7.2	16.3	45.0	29.7	1.9
Owner-Occupied Units by Geography	28,285	2.9	13.5	45.6	37.2	0.8
Occupied Rental Units by Geography	10,480	17.9	21.1	41.7	15.4	3.9
Vacant Units by Geography	9,040	8.0	19.6	46.9	22.6	2.9
Businesses by Geography	8,443	6.5	14.9	43.4	33.4	1.8
Farms by Geography	280	1.1	7.1	55.4	36.4	0.0
Family Distribution by Income Level	25,383	21.3	18.0	19.3	41.4	0.0
Household Distribution by Income Level	38,765	23.9	16.6	17.3	42.2	0.0
Median Family Income MSA - 23460 Gadsden, AL MSA	\$59,713	Median Housing Value			\$115,026	
		Median Gross Rent			\$690	
		Families Below Poverty Level			12.7%	
<i>Source: 2020 U.S. Census and 2023 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.</i>						

The Geographic Distribution criterion compares home mortgage loans to the distribution of owner-occupied housing units and small business loans to the percentage of businesses located in low-, moderate-, middle-, and upper-income census tracts. Only 2.9 percent of the owner-occupied housing units and 6.5 percent of businesses are located in the low-income census tracts. This data indicates limited owner-occupied home mortgage and small business lending opportunities in the low-income census tracts. Further, 12.7 percent of families have incomes below the federal poverty level, which poses a challenge for home mortgage lending to low-income families, as these families may have difficulty in qualifying for a conventional home mortgage loan.

Examiners used the FFIEC-updated median family income figures to analyze home mortgage lending under the Borrower Profile criterion. The following table reflects low-, moderate-, middle-, and upper-income categories in the assessment area.

Median Family Incomes	Median Family Income Ranges			
	Low <50%	Moderate 50% to <80%	Middle 80% to <120%	Upper ≥120%
Gadsden, AL MSA Median Family Income (23460)				
2023 (\$63,400)	<\$31,700	\$31,700 to <\$50,720	\$50,720 to <\$76,080	≥\$76,080
<i>Source: FFIEC</i>				

According to 2021 D&B data, there were 8,443 businesses in the assessment area. The analysis of small business loans under the Borrower Profile criterion compares the distribution of businesses by GAR level. The following reflects GARs for these businesses:

- 85.9 percent had \$1.0 million or less,
- 3.6 percent had more than \$1.0 million, and
- 10.5 percent had unknown revenues.

According to 2023 D&B data, the assessment area's largest industries include services at 35.1 percent; non-classifiable establishments at 19.0 percent; and retail trade at 13.4 percent. The assessment area's largest employers are Gadsden Regional Medical Center, Koch Foods, Riverview Regional Medical Center, Walmart, and Gadsden State Community College.

Data obtained from the U.S. Bureau of Labor Statistics indicates very little change in the unemployment rate during the evaluation period. As illustrated in the following table, the annual rates were static during the review period with a small increase in the monthly rates in 2024, tracking above the State of Alabama unemployment rate and below the national average.

Area	Unemployment Rates		
	2022	2023	April 2024
	%	%	%
Etowah County	3.0	2.8	3.0
State of Alabama	2.5	2.5	3.1
United States	3.6	3.6	3.9

Source: Bureau of Labor Statistics (not seasonally adjusted)

Competition

The assessment area is competitive in the market for financial services. According to FDIC Deposit Market Share data as of June 30, 2023, 12 financial institutions operated a total of 22 branches within the assessment area. Of these institutions, PIB ranked tenth, with a deposit market share of 1.8 percent.

Significant competition exists in the assessment area for home mortgage loans among banks, credit unions, and non-depository mortgage lenders. According to 2022 Peer Mortgage Data, 320 HMDA-reportable institutions originated 8,891 one-to-four family mortgage loans in the assessment area. The top five lenders, by number of loans, included Regions Bank; Fairway Independent

Mortgage Corporation; Alabama Teachers Credit Union; Rocket Mortgage; and First Federal Bank accounting for a combined 24.9 percent of the total market share.

Significant competition exists in the assessment area for small business loans. According to 2022 Peer Small Business Data, 66 lenders reported 1,629 small business loans. American Express National Bank was the top small business lender, by number of loans, accounting for 9.5 percent of the total market share.

Community Contact

During CRA evaluations, examiners conduct community contacts to develop a better understanding of the demographic, economic, and credit needs of an institution's assessment area. This information helps determine whether local financial institutions are responsive to these needs. It also shows what credit and community development opportunities are available.

Examiners contacted a representative of an economic development organization in the assessment area. The contact indicated that area growth has been stable. Major economic drivers include the retail services, healthcare, and food processing industries. The contact also noted that local financial institutions are willing to provide loans to the community. However, there is a need for more credit opportunities for small businesses.

Credit and Community Development Needs and Opportunities

Considering information from the community contact, bank management, and demographic and economic data, examiners determined there are credit opportunities available. There is an opportunity for financial institutions within the assessment area to work with small businesses to help meet their credit and funding needs.

CONCLUSIONS ON PERFORMANCE CRITERIA IN THE GADSDEN, AL MSA ASSESSMENT AREA

LENDING TEST

PIB demonstrated satisfactory performance under the Lending Test. This conclusion is supported by overall reasonable geographic distribution and borrower profile performance.

Geographic Distribution

The geographic distribution reflects a reasonable dispersion throughout the assessment area. Small business and home mortgage loans reflect a reasonable penetration, given demographic and competition data.

Small Business Loans

The geographic distribution of small business loans reflects adequate dispersion throughout the assessment area. The performance in low-income census tracts is below demographic data. However, performance in moderate-income census tracts is above demographic data.

Geographic Distribution of Small Business Loans					
Assessment Area: Gadsden, AL MSA					
Tract Income Level	% of Businesses	#	%	\$ (000s)	%
Low	6.5	1	1.9	20	0.5
Moderate	14.9	8	15.2	428	10.1
Middle	43.4	32	60.3	2,585	61.5
Upper	33.4	12	22.6	1,172	27.9
Not Available	1.8	0	0.0	0	0.0
Totals	100.0	53	100.0	4,205	100.0

Source: 2023 D&B Data; Bank Data
Due to rounding, totals may not equal 100.0%

Home Mortgage Loans

The geographic distribution of home mortgage loans reflects a reasonable dispersion throughout the assessment area. The bank's lending performance was below demographic data. The bank did not originate any home mortgage loans in the low-income census tracts. Competition may affect lending opportunities in these tracts, given the low number of owner-occupied housing units in the low-income census tracts. The following table further details the bank's lending performance.

Geographic Distribution of Home Mortgage Loans					
Assessment Area: Gadsden, AL MSA					
Tract Income Level	% of Owner-Occupied Housing Units	#	%	\$ (000s)	%
Low	2.9	0	0.0	0	0.0
Moderate	13.5	1	6.7	61	1.4
Middle	45.6	6	40.0	383	9.1
Upper	37.2	8	53.3	3,790	89.5
Not Available	0.8	0	0.0	0	0.0
Total	100.0	15	100.0	4,234	100.0

Source: 2020 U.S. Census, Bank Data
Due to rounding, totals may not equal 100.0%

Borrower Profile

Overall, the distribution of borrowers reflects, given the demographics of the assessment area, reasonable penetration among businesses of different sizes and individuals of different income levels. This conclusion was primarily based on the reasonable penetration of small business loans.

Small Business Loans

The distribution of borrowers reflects a reasonable penetration among businesses of different sizes. The bank's performance is comparable to the percentage of businesses with GARs of \$1 million or less.

Distribution of Small Business Loans by Gross Annual Revenue Category					
Assessment Area: Gadsden, AL MSA					
Gross Revenue Level	% of Businesses	#	%	\$ (000s)	%
≤ \$1,000,000	85.9	45	84.9	2,884	68.6
> \$1,000,000	3.6	8	15.1	1,321	31.4
Revenue Not Available	10.5	0	0.0	0	0.0
Total	100.0	53	100.0	4,205	100.0

*Source: 2023 D&B Data, Bank Data.
Due to rounding, totals may not equal 100.0%*

Home Mortgage Loans

The distribution of borrowers reflects a reasonable penetration among borrowers of different income levels. The bank's lending to low- and moderate-income borrowers was below demographic data. However, it is noted that 53.3 percent of loans were made to businesses for investment purposes, where income is not required for HMDA. The following table illustrates the bank's performance.

Distribution of Home Mortgage Loans by Borrower Income Level					
Assessment Area: Gadsden, AL MSA					
Borrower Income Level	% of Families	#	%	\$ (000s)	%
Low	21.3	1	6.7	20	0.5
Moderate	18.0	1	6.7	68	1.6
Middle	19.3	2	13.3	128	3.0
Upper	41.4	3	20.0	299	7.1
Not Available	0.0	8	53.3	3,719	87.8
Total	100.0	15	100.0	4,234	100.0

*Source: 2020 U.S. Census; Bank Data
Due to rounding, totals may not equal 100.0%*

COMMUNITY DEVELOPMENT TEST

PIB's community development performance demonstrates adequate responsiveness to community development needs in the Gadsden, AL MSA assessment area through community development loans, qualified investments, and community development services, as appropriate, considering the bank's capacity and the need and availability of such opportunities for community development in the assessment area.

Community Development Loans

During the evaluation period, PIB originated 14 community development loans totaling \$5.1 million in the Gadsden, AL MSA assessment area. This represents 70.8 percent, by dollar volume, of the bank's community development loans.

Activity Year	Community Development Lending									
	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	
2021 (partial year)	0	0	0	0	13	2,688	0	0	13	2,688
2022	0	0	0	0	0	0	0	0	0	0
2023	1	2,400	0	0	0	0	0	0	1	2,400
YTD 2024	0	0	0	0	0	0	0	0	0	0
Total	1	2,400	0	0	13	2,688	0	0	14	5,088

Source: Bank Data

Below are notable examples of the bank's community development loans within this assessment area:

- In 2021, the bank financed a \$2.4 million loan to refurbish a shopping center in a low-income census tract.
- In 2023, the bank originated a loan totaling \$2.4 million to renovate a 25-unit apartment complex. The units provide below market rents to low- and moderate-income families and are located in low- and moderate-income census tracts.

Qualified Investments

PIB made three donations totaling \$3,000 to organizations that support community development initiatives. The donations represent 0.1 percent of total qualified investments by dollar volume.

Community Development Services

PIB officers provided 16 community development service hours during the evaluation period to organizations that benefit the assessment area. These services represent 11.6 percent of total community development services. The community development services included financial training to 50 students and one was to support an organization that provides essential community services to low- and moderate-income individuals.

MADISON COUNTY ASSESSMENT AREA – Limited-Scope Review

DESCRIPTION OF INSTITUTION'S OPERATIONS IN THE MADISON COUNTY ASSESSMENT AREA

PIB operates one of its nine full-service branches in the Madsion County assessment area. The assessment area includes four census tracts in Madison County, which is part of the Madsion County. The number of census tracts has increased since the previous evaluation due to the 2020 U.S. Census. The total number of census tracts increased from three to four. The assessment area's census tracts reflect the following income designations:

- 1 moderate-income census tract,
- 2 middle-income census tracts, and
- 1 upper-income census tracts.

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

Demographic Information of the Assessment Area						
Assessment Area: Huntsville						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	4	0.0	25.0	50.0	25.0	0.0
Population by Geography	16,652	0.0	18.5	50.8	30.7	0.0
Housing Units by Geography	5,772	0.0	22.3	50.4	27.3	0.0
Owner-Occupied Units by Geography	4,239	0.0	20.9	51.5	27.6	0.0
Occupied Rental Units by Geography	916	0.0	24.7	52.6	22.7	0.0
Vacant Units by Geography	617	0.0	28.5	40.2	31.3	0.0
Businesses by Geography	1,165	0.0	21.0	48.0	31.0	0.0
Farms by Geography	88	0.0	21.6	56.8	21.6	0.0
Family Distribution by Income Level	3,814	23.5	20.1	17.9	38.5	0.0
Household Distribution by Income Level	5,155	25.8	15.5	16.1	42.5	0.0
Median Family Income MSA - 26620 Madsion County	\$85,279	Median Housing Value			\$172,040	
			Median Gross Rent			\$581
			Families Below Poverty Level			9.0%

*Source: 2020 U.S. Census and 2023 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.*

As illustrated in the previous table, there are 4,239 owner-occupied housing units and 1,165 businesses are located in the assessment area. This data suggests there are limited lending opportunities. Further, 9.0 percent of families have incomes below the federal poverty level, which poses a significant challenge for home mortgage lending to low-income families, as these families likely face difficulty in qualifying for a home mortgage loan. The following table reflects updated low-, moderate-, middle-, and upper-income categories in the assessment area.

Median Family Income Ranges				
Median Family Incomes	Low <50%	Moderate 50% to <80%	Middle 80% to <120%	Upper ≥120%
Huntsville, AL MSA Median Family Income (26620)				
2023 (\$108,200)	<\$54,100	\$54,100 to <\$86,560	\$86,560 to <\$129,840	≥\$129,840
<i>Source: FFIEC</i>				

According to 2021 D&B data, there were 1,165 businesses in the assessment area. The following reflects GARs for these businesses:

- 91.6 percent had \$1.0 million or less,
- 1.5 percent had more than \$1.0 million, and
- 6.9 percent had unknown revenues.

According to 2021 D&B data, the assessment area's largest industries include services at 33.2 percent; non-classifiable establishments at 20.7 percent; and retail trade at 11.5 percent. According to Moody's Analytics, the top employers within the Huntsville, Alabama MSA include U.S. Army/Redstone Arsenal, Huntsville Hospital, NASA/Marshall Space Flight Center, The Boeing Co., and Science Applications International Corporation.

Data obtained from the U.S. Bureau of Labor Statistics indicates the unemployment rate has remained static during the review period. Madison County unemployment tracked below both the state and national averages.

Area	Unemployment Rates		
	2022	2023	April 2024
	%	%	%
Madison County	2.1	2.0	2.2
State of Alabama	2.5	2.5	3.4
United States	3.6	3.6	3.9

Source: Bureau of Labor Statistics (not seasonally adjusted)

Competition

The assessment area is competitive in the market for financial services. According to FDIC Deposit Market Share data as of June 30, 2023, 33 financial institutions operated a total of 97 branches within the assessment area. Of these institutions, PIB ranked 27th, with a deposit market share of 0.24 percent.

Significant competition exists in the assessment area for home mortgage loans among banks, credit unions, and non-depository mortgage lenders. According to 2022 Peer Mortgage Data, 332 HMDA-reportable institutions originated 10,906 one-to-four family mortgage loans in the assessment area. The top five home mortgage originators (by number of loans), accounting for 26.1 percent of the total market share, were Redstone Federal Credit Union; Rocket Mortgage; Freedom Mortgage Corporation; Pennymac Loan Services, LLC; and, Wells Fargo Bank, N.A.

There is a high level of competition for small business loans. The 2022 aggregate data (the most recently available) shows that 74 lenders reported 1,634 small business loans in the assessment area. The top five lenders (by number of loans), accounting for 49.4 percent of the total market share, were American Express National Bank; Bank Independent; Synchrony Bank; JPMorgan Chase Bank, N.A.; and, Capital One Bank, N.A.

CONCLUSIONS ON PERFORMANCE CRITERIA IN THE MADISON COUNTY ASSESSMENT AREA

LENDING TEST

The institution's lending performance in the Madison County assessment area is consistent with the institution's lending performance in the assessment areas within the State of Alabama that were reviewed using full-scope examination procedures.

Geographic Distribution

Small Business Loans

Both of the small business loans originated during the review period were located in a moderate-income census tract.

Home Mortgage Loans

The bank did not originate any home mortgage loans in the assessment area during the review period.

Borrower Profile

Small Business Loans

All loans originated in the review period were to businesses with GARs of \$1 million or less.

Home Mortgage Loans

The bank did not originate any home mortgage loans in the assessment area during the review period.

COMMUNITY DEVELOPMENT TEST

PIB's community development performance in the assessment area is below the community development performance in the assessment areas that were reviewed using full-scope examination procedures; however, it does not change the overall conclusions.

Community Development Loans

PIB originated seven community development loans totaling \$55,000 in the assessment area during the evaluation period. The loans supported community services and economic development within the Madison County assessment area.

Qualified Investments

PIB did not make any qualified investments within the Madison County assessment area during the review period.

Community Development Services

During the evaluation period, PIB did not provide any community development services within this assessment area.

ST. CLAIR COUNTY ASSESSMENT AREA – Limited-Scope Review

DESCRIPTION OF INSTITUTION'S OPERATIONS IN THE ST. CLAIR COUNTY ASSESSMENT AREA

PIB operates one of its nine full-service branches in the St. Clair County assessment area. The assessment area includes two census tracts in St. Clair County, which comprises part of the Birmingham, AL MSA. The Steele, Alabama branch is located three miles from the branch in the Gadsden, AL MSA. The assessment area's census tracts reflect the following income designations:

- 2 middle-income census tracts.

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

Demographic Information of the Assessment Area									
Assessment Area: St. Clair County									
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #			
Geographies (Census Tracts)	2	0.0	0.0	100.0	0.0	0.0			
Population by Geography	9,001	0.0	0.0	100.0	0.0	0.0			
Housing Units by Geography	3,694	0.0	0.0	100.0	0.0	0.0			
Owner-Occupied Units by Geography	2,533	0.0	0.0	100.0	0.0	0.0			
Occupied Rental Units by Geography	513	0.0	0.0	100.0	0.0	0.0			
Vacant Units by Geography	648	0.0	0.0	100.0	0.0	0.0			
Businesses by Geography	668	0.0	0.0	100.0	0.0	0.0			
Farms by Geography	45	0.0	0.0	100.0	0.0	0.0			
Family Distribution by Income Level	2,292	26.9	17.8	29.5	25.8	0.0			
Household Distribution by Income Level	3,046	26.4	14.0	23.1	36.6	0.0			
Median Family Income MSA - 13820 Birmingham-Hoover, AL MSA	\$75,287	Median Housing Value			\$123,275				
Median Gross Rent					\$820				
Families Below Poverty Level					14.8%				
Source: 2020 U.S. Census and 2023 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.									

As illustrated in the previous table, only 2,533 owner-occupied housing units and 668 businesses are located in this assessment area. This data suggests there are very limited lending opportunities. Further, 14.8 percent of families have incomes below the federal poverty level, which poses a significant challenge for home mortgage lending to low-income families, as these families likely face difficulty in qualifying for a home mortgage loan. The following table reflects updated low-, moderate-, middle-, and upper-income categories in the assessment area.

Median Family Income Ranges				
Median Family Incomes	Low <50%	Moderate 50% to <80%	Middle 80% to <120%	Upper ≥120%
Birmingham-Hoover, AL MSA Median Family Income (13820)				
2023 (\$89,600)	<\$44,800	\$44,800 to <\$71,680	\$71,680 to <\$107,520	≥\$107,520
Source: FFIEC				

According to 2023 D&B data, there were 668 businesses in the assessment area. The following reflects GARs for these businesses:

- 84.0 percent had \$1.0 million or less,
- 4.1 percent had more than \$1.0 million, and
- 11.9 percent had unknown revenues.

According to 2023 D&B data, the assessment area's largest industries include services at 30.6 percent; non-classifiable establishments at 18.7 percent; and retail trade at 10.2 percent.

Data obtained from the U.S. Bureau of Labor Statistics indicates the unemployment rate has remained static during the review period. St. Clair County unemployment tracked below both the state and national averages.

Area	Unemployment Rates		
	2022 %	2023 %	April 2024 %
St. Clair County	2.1	2.1	2.3
State of Alabama	2.5	2.5	3.4
United States	3.6	3.6	3.9

Source: Bureau of Labor Statistics (not seasonally adjusted)

The assessment area is competitive in the market for financial services. According to FDIC Deposit Market Share data as of June 30, 2023, eight financial institutions operated a total of 20 branches within the assessment area. Of these institutions, PIB ranked 8th, with a deposit market share of 1.2 percent.

Significant competition exists in the assessment area for home mortgage loans among banks, credit unions, and non-depository mortgage lenders. According to 2022 Peer Mortgage Data, 82 HMDA-reportable institutions originated 436 one-to-four family mortgage loans in the assessment area. The top three home mortgage originators (by number of loans), accounting for 20.8 percent of the total market share, were Vanderbilt Mortgage; Regions Bank; and 21st Mortgage.

There is a high level of competition for small business loans. The 2022 aggregate data (the most recently available) shows that 74 lenders reported 1,634 small business loans in the assessment area. The top three lenders (by number of loans), accounting for 47.1 percent of the total market share, were American Express National Bank; Bank Independent; Synchrony Bank; and, JPMorgan Chase.

CONCLUSIONS ON PERFORMANCE CRITERIA IN THE ST. CLAIR COUNTY ASSESSMENT AREA

LENDING TEST

The institution's lending performance in the St. Clair County assessment area is consistent with the institution's lending performance in the assessment areas within the State of Alabama that were reviewed using full-scope examination procedures.

Geographic Distribution

The assessment area does not include any low- and moderate-income geographies, and a review of the Geographic Distribution criterion would not result in meaningful conclusions. Therefore, this criterion was not evaluated.

Borrower Profile

Small Business Loans

In 2023, the bank originated four, or 80.3 percent, of its small business loans to businesses with GARs of \$1 million or less, which is less than the demographic data, at 84.0 percent.

Home Mortgage Loans

The bank did not originate any home mortgage loans in the assessment area during the review period.

COMMUNITY DEVELOPMENT TEST

PIB community development performance in the assessment area is below the community development performance in the assessment areas that were reviewed using full-scope examination procedures; however, it does not change the overall conclusions.

Community Development Loans

PIB originated three community development loans totaling \$50,000 in the assessment area during the evaluation period. These were customers obtaining SBA PPP loans during the Covid-19 Pandemic. The loans supported economic development within the Birmingham, AL MSA.

Qualified Investments

During the evaluation period, PIB made one qualified investment totaling \$390,000 in the assessment area.

Community Development Services

During the evaluation period, PIB did not provide any community development services within this assessment area.

APPENDICES

INTERMEDIATE SMALL BANK PERFORMANCE CRITERIA

Lending Test

The Lending Test evaluates the bank's record of helping to meet the credit needs of its assessment area(s) by considering the following criteria:

- 1) The bank's loan-to-deposit ratio, adjusted for seasonal variation, and, as appropriate, other lending-related activities, such as loan originations for sale to the secondary markets, community development loans, or qualified investments;
- 2) The percentage of loans, and as appropriate, other lending-related activities located in the bank's assessment area(s);
- 3) The geographic distribution of the bank's loans;
- 4) The bank's record of lending to and, as appropriate, engaging in other lending-related activities for borrowers of different income levels and businesses and farms of different sizes; and
- 5) The bank's record of taking action, if warranted, in response to written complaints about its performance in helping to meet credit needs in its assessment area(s).

Community Development Test

The Community Development Test considers the following criteria:

- 1) The number and amount of community development loans;
- 2) The number and amount of qualified investments;
- 3) The extent to which the bank provides community development services; and
- 4) The bank's responsiveness through such activities to community development lending, investment, and service needs.

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.

American Community Survey (ACS): A nationwide United States Census survey that produces demographic, social, housing, and economic estimates in the form of five year estimates based on population thresholds.

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.

Community Development: For loans, investments, and services to qualify as community development activities, their primary purpose must:

- (1) Support affordable housing for low- and moderate-income individuals;
- (2) Target community services toward low- and moderate-income individuals;
- (3) Promote economic development by financing small businesses or farms; or
- (4) Provide activities that revitalize or stabilize low- and moderate-income geographies, designated disaster areas, or distressed or underserved nonmetropolitan middle-income geographies.

Community Development Corporation (CDC): A CDC allows banks and holding companies to make equity type of investments in community development projects. Bank CDCs can develop innovative debt instruments or provide near-equity investments tailored to the development needs of the community. Bank CDCs are also tailored to their financial and marketing needs. A CDC may purchase, own, rehabilitate, construct, manage, and sell real property. Also, it may make equity or debt investments in development projects and in local businesses. The CDC activities are expected to directly benefit low- and moderate-income groups, and the investment dollars should not represent an undue risk on the banking organization.

Community Development Financial Institutions (CDFIs): CDFIs are private intermediaries (either for profit or nonprofit) with community development as their primary mission. A CDFI facilitates the flow of lending and investment capital into distressed communities and to individuals who have been unable to take advantage of the services offered by traditional financial institutions. Some basic types of CDFIs include community development banks, community development loan funds, community development credit unions, micro enterprise funds, and community development venture capital funds.

A certified CDFI must meet eligibility requirements. These requirements include the following:

- Having a primary mission of promoting community development;
- Serving an investment area or target population;
- Providing development services;
- Maintaining accountability to residents of its investment area or targeted population through representation on its governing board of directors, or by other means;
- Not constituting an agency or instrumentality of the United States, of any state or political subdivision of a state.

Community Development Loan: A loan that:

- (1) Has as its primary purpose community development; and
- (2) Except in the case of a wholesale or limited purpose bank:
 - (i) Has not been reported or collected by the bank or an affiliate for consideration in the bank's assessment area as a home mortgage, small business, small farm, or consumer loan, unless it is a multifamily dwelling loan (as described in Appendix A to Part 203 of this title); and
 - (ii) Benefits the bank's assessment area(s) or a broader statewide or regional area including the bank's assessment area(s).

Community Development Service: A service that:

- (1) Has as its primary purpose community development;
- (2) Is related to the provision of financial services; and
- (3) Has not been considered in the evaluation of the bank's retail banking services under § 345.24(d).

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.

Distressed Middle-Income Nonmetropolitan Geographies: A nonmetropolitan middle-income geography will be designated 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 percent or more; or
- (3) A population loss of 10 percent or more between the previous and most recent decennial census or a net migration loss of 5 percent or more over the 5-year period preceding the most recent census.

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).

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 (e.g., geographic distribution, borrower profile, and total number and dollar amount of investments), and qualitative factors (e.g., innovativeness, complexity, and responsiveness).

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

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

Home Mortgage Loans: Includes closed-end mortgage loans or open-end line of credits as defined in the HMDA regulation that are not an excluded transaction per the HMDA regulation.

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 (e.g., 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.

Low Income Housing Tax Credit: The Low-Income Housing Tax Credit Program is a housing program contained within the Internal Revenue Code of 1986, as amended. It is administered by the U.S. Department of the Treasury and the Internal Revenue Service. The U.S. Treasury Department distributes low-income housing tax credits to housing credit agencies through the Internal Revenue Service. The housing agencies allocate tax credits on a competitive basis.

Developers who acquire, rehabilitate, or construct low-income rental housing may keep their tax credits. Or, they may sell them to corporations or investor groups, who, as owners of these properties, will be able to reduce their own federal tax payments. The credit can be claimed annually for ten consecutive years. For a project to be eligible, the developer must set aside a specific percentage of units for occupancy by low-income residents. The set-aside requirement remains throughout the compliance period, usually 30 years.

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.

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 (also known as non-MSA): 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.

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

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

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

Small Business Investment Company (SBIC): SBICs are privately-owned investment companies which are licensed and regulated by the Small Business Administration (SBA). SBICs provide long-term loans and/or venture capital to small firms. Because money for venture or risk investments is difficult for small firms to obtain, SBA provides assistance to SBICs to stimulate and supplement the flow of private equity and long-term loan funds to small companies. Venture capitalists participate in the SBIC program to supplement their own private capital with funds borrowed at favorable rates through SBA's guarantee of SBIC debentures. These SBIC debentures are then sold to private investors. An SBIC's success is linked to the growth and profitability of the companies that it finances. Therefore, some SBICs primarily assist businesses with significant growth potential, such as new firms in innovative industries. SBICs finance small firms by providing straight loans and/or equity-type investments. This kind of financing gives them partial ownership of those businesses and the possibility of sharing in the companies' profits as they grow and prosper.

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.

Underserved Middle-Income Nonmetropolitan Geographies: A nonmetropolitan middle-income geography will be designated as underserved if it meets criteria for population size, density, and dispersion indicating the area's population is sufficiently small, thin, and distant from a population center that the tract is likely to have difficulty financing the fixed costs of meeting essential community needs.

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.



PEOPLES INDEPENDENT BANK

MAIN OFFICE

Peoples Independent Bank
121 Billy Dyar Blvd.
Boaz, AL 35957
Geographic Area 0312.00

HOURS

Monday – Thursday
8:30 am – 4:00 pm
Friday
8:30 am – 5:00 pm
Saturday
8:30 am – 12:00pm (drive-thru)
ATM

BRANCH OFFICE

Peoples Independent Bank
5690 US HWY 278 E
Hokes Bluff, AL 35903
Geographic Area 0106.01

HOURS

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

BRANCH OFFICE

Peoples Independent Bank
3915 Pope Avenue
Steele, AL 35987
Geographic Area 404.02

HOURS

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

BRANCH OFFICE

Peoples Independent Bank
1167 Main St
Fyffe, AL 35971
Geographic Area 9605.00

HOURS

Monday – Thursday
8:30 am – 4:00 pm
Friday
8:30 am – 5:00 pm
Saturday
8:30 am – 12:00 pm (drive-thru)
ATM

BRANCH OFFICE

Peoples Independent Bank
820 South Broad Street
Scottsboro, AL 35768
Geographic Area 9508.00

HOURS

Monday - Thursday
8:30 am – 4:00 pm
Friday
8:30 am – 5:00 pm
Saturday
8:30 am – 12:00 pm (drive-thru)
ATM

BRANCH OFFICE

Peoples Independent Bank
99 AL HWY 168
Horton, AL 35980
Geographic Areas 0310.00

HOURS

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

BRANCH OFFICE

Peoples Independent Bank
111 Steel Drive
Gurley, AL 35748
Geographic Area 0109.02

HOURS

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

BRANCH OFFICE

Peoples Independent Bank
3736 Main St
Powell, Fyffe, AL 35971
Geographic Area 9603.00

HOURS

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

P.O. Box 669 * 121 Billy Dyar Blvd. * Boaz, AL. 35957 * 256-593-8844

Boaz ~ Scottsboro ~ Hokes Bluff ~ Douglas ~ Steele ~ Gurley

Fyffe ~ Powell ~ Sylvania

www.pibonline.com



**PEOPLES
INDEPENDENT BANK**

BRANCH OFFICE

Peoples Independent Bank
23083 Sylvania Ave
Sylvania, AL 35988
Geographic Area 9604.00

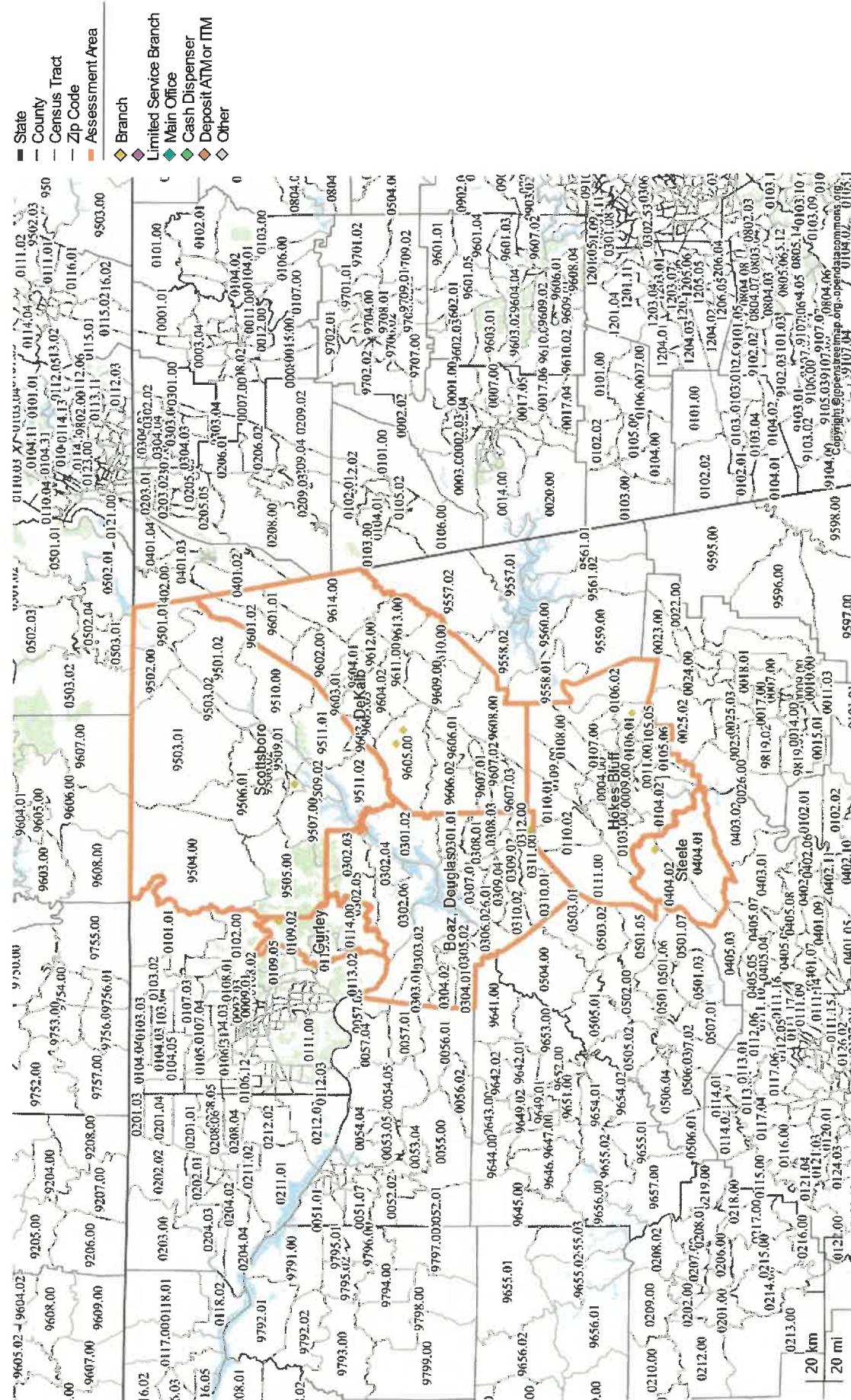
HOURS

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

ATM locations on Mill Street in Boaz, AL



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Applied Filters

PEOPLES INDEPENDENT BANK

FEES AND CHARGES

ATM/DEBIT CARD

Replace ATM/Debit Card or PIN: \$5.00
Cash Withdrawal at ATM Dollar Limit: \$305.00
Debit Card purchase dollar amount: \$1,500.00 per day

OFFICIAL CHECKS

Cashier's Check: \$5.00
Money Order: \$5.00
Counter Checks: \$1.00 per sheet (Sheet has 3 checks & 1 Deposit slip)

ACCOUNT SERVICES

Account Activity Printout: \$1.00 per page
Account Research: \$25.00 per hour
Account Balancing Assistance: \$25.00 per hour
Copy of Statements within one year: \$2.00 per statement

WIRE TRANSFERS

Outgoing: \$15.00
Incoming: \$10.00
International Wire Fee: \$55.00

LEGAL FEES

Garnishments: \$50.00
Executions: \$50.00
Levies: \$50.00

NSF FEE: \$28.00

STOP PAYMENT FEE: \$28.00

PEOPLES
INDEPENDENT BANK

Deposit products offered at all offices include deposits, time deposits, and IRAs. Loan products offered at all offices are consumer loans, commercial loans, equity lines of credit (personal and home). The bank also offers mobile banking to its consumer customers.

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Posted notice of availability of data:

The HMDA data about our residential mortgage lending are available online for review. The data show geographic distribution of loans and applications; ethnicity, race, sex, age, and income of applicants and borrowers; and information about loan approvals and denials. HMDA data for many other financial institutions are also available online. For more information, visit the Consumer Financial Protection Bureau's Web site at www.consumerfinance.gov/hmda.

Loan to Deposit Ratio

	2025	2024
1st qtr	50.17	50.35
2nd qtr	50.31	50.59
3rd qtr	51.55	51.17
4rd qtr	50.44	51.2