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Public Comments

There are currently no Public Comments to report

CRA Performance Evaluation

PUBLIC DISCLOSURE

September 13, 2021

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Susquehanna Community Bank
Certificate Number: 8421

940 High Street
West Milton, Pennsylvania 17886

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

350 Fifth Avenue, Suite 1200
New York, New York 10118

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 (LTD) ratio is reasonable given the institution's size, financial condition, and assessment area credit needs.
- A majority of home mortgage and small business loans are in the institution's assessment areas.
- The geographic distribution of loans reflects excellent dispersion throughout the assessment areas.
- The distribution of borrowers reflects, given the demographics of the assessment areas, reasonable penetration among individuals of different income levels and businesses of different sizes.
- The institution did not receive any CRA-related complaints since the previous evaluation; therefore, this factor did not affect the Lending Test rating.

The Community Development Test is rated Outstanding.

- The institution's community development performance demonstrates excellent responsiveness to community development needs in its assessment areas through community development loans, qualified investments, and community development services, as appropriate, considering the institution's capacity and the need and availability of such opportunities for community development in the institution's assessment areas.

DESCRIPTION OF INSTITUTION

Background

Susquehanna Community Bank is a commercial bank headquartered in West Milton, Pennsylvania (PA). The bank is wholly owned by a financial services holding company, Susquehanna Community Financial, Inc., also located in West Milton, PA. The institution received a Satisfactory rating at its previous FDIC Performance Evaluation, dated August 20, 2018, also based on Interagency Intermediate Small Institution Examination Procedures.

Operations

Susquehanna Community Bank operates seven full-service branches in four counties located in north central PA. The bank operates the main office and two branch offices in Union County, two branch offices in Northumberland County, one branch office in Snyder County, and one branch office in Lycoming County. Each office includes on-site automated teller machines (ATMs) and drive-thru banking facilities. In September 2019, the Williamsport branch office opened in a middle-income census tract in Lycoming County. No offices have closed or relocated since the previous CRA evaluation.

The bank's primary business focus is to be an independent community bank providing service to the individual business and personal needs of the customer. Susquehanna Community Bank offers consumer loan products, including mortgages, home equity lines of credit, automobile, and personal loans. The bank introduced PA Housing Finance Agency mortgages and a Mortgage Program for Medical Professionals since the previous CRA evaluation. Additionally, the bank continues to offer government home loans through the Veteran's Administration, Federal Housing Administration, and United States Department of Agriculture.

Commercial loan products include real estate, lines of credit, equipment, Small Business Administration (SBA) 504 and Paycheck Protection Program (PPP), and agricultural loans. The bank provides a variety of deposit services including checking, savings, money market deposit accounts, and certificates of deposits.

The bank has no trust powers, but does have one affiliate, Susquehanna Financial Solutions, that specializes in investments, financial planning, and insurance. The bank offers securities and insurance products through Cetera Investment Services, LLC. Alternative banking services include internet and mobile banking, electronic bill pay, and ATMs.

Ability and Capacity

Assets totaled approximately \$513.9 million as of June 30, 2021, and included total loans of \$294.6 million and securities of \$181.5 million. The bank reported total deposits of \$447.4 million with a net LTD ratio of 65.2 percent. The bank's overall loan portfolio remains similar in composition to the last examination. The following table illustrates the loan portfolio as of June 30, 2021.

Loan Portfolio Distribution as of 6/30/2021		
Loan Category	\$(000s)	%
Construction and Land Development	18,608	6.3
Secured by Farmland	44,177	15.0
1-4 Family Residential	75,197	25.5
Multi-family (5 or more) Residential	17,289	5.9
Commercial Real Estate	72,416	24.6
Total Real Estate Loans	227,687	77.3
Loans to Finance Agricultural Production	1,822	0.6
Commercial and Industrial	38,099	13.0
Consumer	11,870	4.0
Obligations	15,121	5.1
Other	10	-
Total Loans	294,609	100.0
<i>Source Reports of Condition and Income</i>		

Susquehanna Community Bank is primarily a real estate lender as loans secured by real estate represent 77.3 percent of the bank's loan portfolio. Commercial loans, consisting of commercial real estate and commercial and industrial loans, comprise 37.6 percent of the portfolio, while loans secured by one-to-four family residential real estate comprise 25.5 percent of the portfolio. Since the previous CRA evaluation, the bank sold 492 home mortgage loans totaling \$83.5 million in the secondary market that are not reflected in the loan portfolio totals. During 2020 and 2021, the bank was an active participant in the SBA's PPP originating 457 PPP loans totaling \$35.3 million to businesses financially struggling because of the COVID-19 pandemic.

Examiners did not identify any financial, legal, or other impediments that affect the bank's ability to meet assessment area credit needs.

DESCRIPTION OF ASSESSMENT AREAS

The CRA requires each financial institution to define one or more assessment areas within which examiners evaluate its CRA performance. The FDIC evaluates the institution's CRA performance based on the defined assessment areas. Susquehanna Community Bank designates two separate assessment areas. The PA non-metropolitan statistical area (MSA) assessment area includes all census tracts within Union, Snyder, and Northumberland Counties, while the Williamsport MSA assessment area includes all census tracts in Lycoming County. The Williamsport MSA assessment area is new since the last examination due to a branch expansion. Collectively, the CRA evaluation refers to the two assessment areas as the combined assessment area. The bank's combined assessment area conforms to the requirements of the CRA regulation and does not arbitrarily exclude any low- and moderate-income geographies.

Since the previous CRA evaluation, Susquehanna Community Bank expanded its combined assessment area to include full counties in both assessment areas to better represent the areas served by the bank. An emergency declaration (EM-3441) and a major disaster declaration (DR-4506) both related to COVID-19 affected the assessment areas as of March 2020, and continuing through the current evaluation. Additional descriptions of economic and demographic data are contained within the sections addressing each assessment area.

SCOPE OF EVALUATION

General Information

This evaluation covers the period from the prior evaluation dated August 20, 2018, to the current evaluation dated September 13, 2021. Examiners used Interagency Intermediate Small Institution CRA Examination Procedures to evaluate the bank's CRA performance. These procedures include a Lending Test and a Community Development Test. This evaluation does not include any lending activity performed by affiliates.

As noted previously, Susquehanna Community Bank designates two assessment areas. Examiners performed a full-scope review of the bank's performance in the PA Non-MSA assessment area and a limited-scope review in the Williamsport MSA assessment area. With consideration to the branching structure, deposit holdings within each area, and the lending rates of activities reviewed, examiners applied greater weight to the PA Non-MSA assessment area. The PA Non-MSA assessment area comprises 85.7 percent of branches, 97.8 percent of deposits, 89.6 percent of in-assessment area home mortgage loans originated in 2020, and 87.6 percent of in-assessment area small business loans originated in 2020.

Activities Reviewed

Examiners determined that home mortgage and small business loans constitute the bank's major product lines. This conclusion considered the bank's business strategy and the number and dollar volume of loans originated during the evaluation period. While the evaluation presents both number and dollar volume of loans within the Lending Test, examiners emphasized performance by number of loans under the geographic distribution and borrower profile criteria, because the number of loans is a better indicator of the number of businesses and individuals served.

The volume of home mortgage loans was similar to that of small business loans during the review period. In comparison to prior years, the bank's volume of small business loans increased in 2020, reflecting the bank's participation in the SBA's PPP. Examiners gave more weight to home mortgage lending in overall conclusions and ratings, as home mortgage lending is the bank's primary lending focus. No other loan types, such as small farm loans or consumer loans, represent a major product line; therefore, the loans provided no material support for conclusions or ratings. The bank originated 35 small farm loans totaling \$5.0 million in 2020.

Bank records indicated that the lending focus and product mix remained consistent throughout the evaluation period. The bank first became subject to Home Mortgage Disclosure Act (HMDA) reporting in 2020. This evaluation considered all home mortgage loans reported on the bank's 2020 HMDA Loan Application Register. Due to its' asset size, the bank is not required to collect or

report small business or small farm loans; however, the bank collected sufficient data for analysis except for Borrower Profile. To analyze Borrower Profile, examiners sampled gross annual revenue (GAR) data from 51 small business loans totaling \$5.4 million originated in 2020. For comparative purposes, the evaluation will present 2020 aggregate HMDA data, 2015 American Community Survey (ACS) data, and 2020 D&B data.

Bank management provided information on community development loans, investments, and services since the prior CRA evaluation dated August 20, 2018.

CONCLUSIONS ON PERFORMANCE CRITERIA

LENDING TEST

Susquehanna Community Bank's overall Lending Test performance is rated "Satisfactory." The bank's reasonable performance under the LTD Ratio, Assessment Area Concentration, and Borrower Profile criteria supports this rating.

This section presents the institution's performance under the Lending Test. Separate presentations for the individual assessment areas are included in subsequent sections of this Evaluation.

Loan-to-Deposit Ratio

The bank's net LTD ratio is reasonable given the institution's size, financial condition, and assessment area credit needs. The bank's average net LTD ratio, calculated from Call Report data, averaged 64.9 percent over the past twelve calendar quarters from September 30, 2018, to June 30, 2021. The ratio ranged from a high of 69.6 percent as of March 31, 2020, to a low of 55.0 percent as of June 30, 2019.

Examiners selected comparable institutions based on asset size, geographic location, and lending focus. As shown in the following table, the bank's average net LTD ratio is below that of three similarly situated institutions. Management indicated that uncertainty in the financial markets, a new large public funds account, and the new Eagle Premium Savings account created an influx of deposits. In addition, the bank discontinued indirect lending relationships during the review period.

Net Loan-to-Deposit Ratio Comparison		
Bank	Total Assets as of 6/30/2021 (\$000s)	Average Net LTD Ratio (%)
Susquehanna Community Bank	\$513,910	64.9
The Gratz Bank	\$420,822	69.7
Mifflinburg Bank & Trust Company	\$538,194	84.0
The Luzerne Bank	\$586,937	86.3
<i>Source Reports of Condition and Income 9/30/2018-6/30/2021</i>		

Examiners also compared the bank's net LTD ratio to its peer group. The bank's net LTD ratio of 65.2 percent is below that of its' Uniform Bank Performance Report (UBPR) peer group's net LTD ratio of 70.9 percent as of June 30, 2021. The bank's peer group is defined as insured commercial banks having assets between \$300 million and \$1 billion.

Assessment Area Concentration

The bank originated a majority of home mortgage and small business loans, by number and dollar volume, within its combined assessment area.

Lending Inside and Outside of the Assessment Areas										
Loan Category	Number of Loans				Total #	Dollar Amount of Loans \$(000s)				Total \$(000s)
	Inside		Outside			Inside		Outside		
	#	%	#	%		\$	%	\$	%	
Home Mortgage										
2020	297	91.1	29	8.9	326	57,603	90.6	5,955	9.4	63,558
Small Business										
2020	282	85.5	48	14.5	330	29,314	89.6	3,418	10.4	32,732
Total	579	88.3	77	11.7	656	86,917	90.3	9,373	9.7	96,290
Source Bank Data. Due to rounding, totals may not equal 100.0%										

Examiners noted that the volume of small business loans significantly increased in 2020 due to the bank's participation in the SBA's PPP. In 2020, the bank originated 215 PPP loans totaling \$22.9 million in response to the COVID-19 pandemic. Of these PPP loans, 202 loans totaling \$20.5 million were in the assessment areas. PPP loans helped small businesses with expenses related to payroll, rent, and utilities. While the above table reflects most of these loans, the bank presented 9 PPP loans totaling \$526,900 made in 2020 that qualified as community development loans under the Community Development Test. Examiners also considered additional PPP loans originated in 2021 under the Community Development Test.

Geographic Distribution

The geographic distribution of loans reflects excellent dispersion throughout the combined assessment area. Susquehanna Community Bank's performance is primarily driven by the bank's home mortgage loan performance and is consistent throughout the individual assessment areas.

Borrower Profile

The distribution of borrowers reflects reasonable penetration among individuals of different income levels and businesses of different sizes. Susquehanna Community Bank's performance is consistent throughout the individual assessment areas.

Response to Complaints

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

COMMUNITY DEVELOPMENT TEST

Susquehanna Community Bank's overall Community Development Test performance is rated "Outstanding." The bank's community development performance demonstrates excellent responsiveness to community development needs in its assessment areas through community development loans, qualified investments, and community development services. More weight was placed on the bank's performance within the PA Non-MSA assessment area, as the Williamsport, PA MSA assessment area is new to the bank since the prior evaluation. Examiners considered the bank's capacity and the need and availability of community development opportunities within the assessment areas.

This section presents the institution's overall performance under the Community Development Test. Separate presentations for the individual assessment areas are included in subsequent sections of the Evaluation.

Community Development Loans

During the evaluation period, Susquehanna Community Bank originated 113 community development loans totaling \$24.9 million within its combined assessment area and the broader statewide or regional area. This level of activity represents 5.3 percent of average total assets and 9.4 percent of average total loans since the prior evaluation. At the prior evaluation, the bank originated 23 community development loans totaling \$6.0 million. Since the prior evaluation, the volume of community development loans significantly increased, partially due to the bank's participation in the SBA's PPP. The following table illustrates the bank's community development lending activity by assessment area and purpose.

Community Development Lending by Assessment Area										
Assessment Area	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
PA Non-MSA	1	625	16	5,829	0	0	71	6,360	88	12,814
Williamsport, PA MSA	0	0	0	0	0	0	6	999	6	999
Statewide/Regional	0	0	12	9,508	0	0	7	1,549	19	11,057
Total	1	625	28	15,337	0	0	84	8,908	113	24,870
Source Bank Data										

Since Susquehanna Community Bank was responsive to community development needs and opportunities within its assessment areas, examiners considered community development loans that benefitted the broader regional and statewide area. Below are notable examples of community development loans that benefitted the broader regional or statewide area:

- During the evaluation period, the bank originated 10 loans totaling \$7.0 million to a nonprofit organization that offers services to individuals living with intellectual and developmental disabilities. The organization used loan proceeds for purposes such as transient housing, business vehicles, and working capital. The organization provides life-sharing arrangements, home-based supports, and community living arrangements to its disabled clients living in Bucks and Montgomery Counties.

- In 2020 and 2021, the bank originated six PPP loans totaling \$249,331 to businesses located in low- or moderate-income census tracts outside of the combined assessment area, but within the statewide or regional area. These loans helped finance small businesses that revitalize or stabilize low- and moderate-income areas.

For additional details on community development loans, please refer to the individual assessment area sections of this Evaluation.

Qualified Investments

During the evaluation period, Susquehanna Community Bank had 55 qualified investments totaling over \$3.0 million. This volume includes two prior period qualified investments with an outstanding balance of \$1.6 million, 3 new qualified investments totaling \$1.3 million, and 50 qualified grants and donations totaling \$133,292. Qualified investments equates to 0.7 percent of average assets and 1.9 percent of average securities since the prior evaluation. The bank's level of qualified investments increased since the prior evaluation. At the prior evaluation, the bank had one prior period investment totaling \$730,842, one new qualified investment totaling \$1.3 million, and 31 donations totaling \$74,650. This qualified investment activity equaled 0.5 percent of average assets and 1.6 percent of average securities during that prior evaluation. The following table illustrates the bank's qualified investment activity by assessment area and purpose.

Qualified Investments by Assessment Area										
Assessment Area	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
PA Non-MSA	0	0	36	1,377	1	2	0	0	37	1,379
Williamsport, PA MSA	0	0	16	34	0	0	0	0	16	34
Statewide/Regional	2	1,632	0	0	0	0	0	0	2	1,632
Total	2	1,632	52	1,411	1	2	0	0	55	3,045
<i>Source Bank Data</i>										

The bank has two investments that benefit areas outside the assessment areas but within the PA statewide area. These investments include two mortgage-backed securities (MBSs) the bank purchased prior to the current evaluation period that remained outstanding as of this evaluation. One security, purchased from the Government National Mortgage Association with a balance of nearly \$537,000, is collateralized by 19 mortgages to low- and moderate-income borrowers within the Pittsburgh, PA MSA. The second investment, purchased from the Federal National Mortgage Association with a balance of nearly \$1.1 million, is collateralized by seven mortgages to low- and moderate-income borrowers within the Harrisburg-Carlisle, PA MSA and Central PA area. These MBSs support affordable housing within the statewide area.

For additional details on qualified investments and donations, please refer to the individual assessment area section of this Evaluation.

Community Development Services

During the evaluation period, Susquehanna Community Bank's staff provided 39 instances of financial expertise or technical assistance to 14 different community development-related organizations in the combined assessment area. The bank's level of community development service remained consistent since the prior evaluation. During the prior evaluation period, the bank reported 30 instances at 10 different community development organizations. The following table illustrates the bank's community development service activities by assessment area and purpose:

Community Development Service Instances by Assessment Area					
Assessment Area	Affordable Housing	Community Services	Economic Development	Revitalize or Stabilize	Totals
	#	#	#	#	#
PA Non-MSA	3	10	7	0	20
Williamsport, PA MSA	0	0	6	0	6
Statewide/Regional	1	8	4	0	13
Total	4	18	17	0	39
<i>Source Bank Data</i>					

In addition to the community development services provided, the bank provides other services that benefit low- and moderate-income individuals and families throughout the combined assessment area. These services include the following:

- The bank participates in the Interest on Lawyers' Trust Accounts (IOLTA) program. Interest that accrues on aggregated escrow and trust accounts, maintained by participating attorneys, funds the IOLTA. Nonprofit agencies that provide civil legal services to lower-income individuals receive the interest paid on the IOLTA. As of June 30, 2021, the bank maintained IOLTAs aggregating nearly \$40,000 in accumulated interest during the evaluation period.
- The bank offers home mortgage loans to qualified borrowers through the Federal Housing Administration (FHA), Veteran's Administration (VA), and United States Department of Agriculture (USDA). These government-sponsored home mortgage programs assist first-time homebuyers and low- and moderate-income borrowers in owning a home. During the evaluation period, the bank originated 49 FHA loans totaling \$6.6 million, 15 VA loans totaling \$2.2 million, and 10 USDA loans totaling \$1.3 million.

For additional details on community development services, please refer to the individual assessment area sections of this Evaluation.

DISCRIMINATORY OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

Examiners reviewed the bank's compliance with the laws relating to discrimination and other illegal credit practices, including the Fair Housing Act and the Equal Credit Opportunity Act. Examiners did not identify any discriminatory or other illegal credit practices; therefore, this consideration did not affect the institution's overall CRA rating.

PA NON-MSA ASSESSMENT AREA – Full-Scope Review

DESCRIPTION OF INSTITUTION’S OPERATIONS IN PA NON-MSA ASSESSMENT AREA

Economic and Demographic Data

This assessment area includes Northumberland, Snyder, and Union Counties in their entirety, all of which are located outside a MSA. For 2020 and 2021, the Federal Financial Institutions Examination Council (FFIEC) designated all 19 of the middle-income census tracts in Northumberland County as distressed due to unemployment. The bank designated a portion of Northumberland County during the previous CRA evaluation.

The PA Non-MSA assessment area includes 42 census tracts. The demographics of these census tracts include:

- 0 low-income tracts;
- 5 moderate-income tracts;
- 31 middle-income tracts;
- 2 upper-income tracts; and
- 4 tracts with no income designation.

The following table illustrates select demographic characteristics of the PA Non-MSA assessment area.

Demographic Information of the PA Non-MSA Assessment Area						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	42	0.0	11.9	73.8	4.8	9.5
Population by Geography	179,010	0.0	8.5	81.2	4.3	5.9
Housing Units by Geography	78,143	0.0	10.5	84.8	4.4	0.2
Owner-Occupied Units by Geography	49,484	0.0	7.1	87.3	5.5	0.1
Occupied Rental Units by Geography	19,249	0.0	17.7	79.1	2.8	0.4
Vacant Units by Geography	9,410	0.0	13.8	84.0	2.0	0.3
Businesses by Geography	11,139	0.0	10.4	82.8	6.4	0.4
Farms by Geography	702	0.0	1.4	90.6	7.8	0.1
Family Distribution by Income Level	45,463	19.0	18.9	21.6	40.5	0.0
Household Distribution by Income Level	68,733	21.9	17.5	18.4	42.1	0.0
Median Family Income PA Non-MSAs - PA		\$56,172	Median Housing Value			\$121,638
Families Below Poverty Level		9.1%	Median Gross Rent			\$648
Source 2015 ACS and 2020 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.						

There are 78,143 housing units within this assessment area. Of these, 63.3 percent are owner-occupied, 24.6 percent are occupied rental units, and 12.1 percent are vacant. The Geographic Distribution criterion compares home mortgage loans to the distribution of owner-occupied housing units.

Examiners used the 2020 FFIEC-updated median family income (MFI) to analyze home mortgage loans under the Borrower Profile criterion. The following table presents the low-, moderate-, middle-, and upper-income categories.

Median Family Income Ranges				
Median Family Incomes	Low <50%	Moderate 50% to <80%	Middle 80% to <120%	Upper ≥120%
PA Non-MSA Median Family Income (99999)				
2020 (\$64,900)	<\$32,450	\$32,450 to <\$51,920	\$51,920 to <\$77,880	≥\$77,880
<i>Source FFIEC</i>				

According to 2020 D&B data, there were 11,139 businesses operating in this assessment area. GARs for these businesses are below.

- 84.5 percent have GARs of \$1 million or less,
- 4.3 percent have GARS of more than \$1 million, and
- 11.2 percent have unreported GARs.

Service industries represent the largest portion of businesses at 35.4 percent; followed by non-classifiable establishments (16.3 percent); retail trade (14.0 percent); and finance, insurance, and real estate (7.1 percent). In addition, 63.9 percent of area businesses have four or fewer employees, and 89.6 percent operate from a single location.

As shown below, data obtained from the U. S. Bureau of Labor and Statistics indicates that unemployment increased during the review period. Unemployment was highest in Northumberland County. Within most areas, the 2020 unemployment rates increased due to the COVID-19 pandemic.

Unemployment Rates			
Area	2018	2019	2020
	%	%	%
Union County	3.6	4.1	5.3
Snyder County	4.0	6.0	5.4
Northumberland County	5.5	6.3	7.4
State of PA	4.0	4.4	6.9
<i>Source Bureau of Labor Statistics</i>			

Competition

The assessment area is moderately competitive in the market for financial services. According to the FDIC Deposit Market Share data as of June 30, 2021, there were 19 financial institutions operating 63 branches within the bank's assessment area. Of these institutions, Susquehanna Community Bank ranked 3rd with a 12.0 percent deposit market share.

There is a moderate level of competition for home mortgage loans among banks, credit unions, and non-depository mortgage lenders. In 2020, 214 lenders reported 3,699 residential mortgage loans originated or purchased in this assessment area. Susquehanna Community Bank ranked 3rd out of this group of lenders, with a market share of 7.2 percent.

Susquehanna Community Bank is not required to collect or report small business loan data and has not elected to do so. Therefore, analysis of small business loans under the Lending Test does not include comparisons against aggregate data. The aggregate data, however, reflects the level of demand for small business loans. Aggregate data for 2019 shows that 65 institutions reported 2,713 small business loans, indicating a moderate degree of competition for this product. The three most prominent small business lenders accounted for 39.1 percent of total market share.

Community Contact

As part of the evaluation process, examiners contact third parties within the assessment area to gain insight on local economic conditions, credit needs, area challenges and opportunities. This information can also help determine if banks in the area are responsive to the needs of the community. It also shows what credit and community development opportunities are available.

Examiners reviewed a recently performed community contact with an organization that serves Dauphin and Northumberland Counties. The community contact noted that the housing stock is antiquated and in need of repairs and the area has limited new housing available; small businesses need access to available credit systems to maintain a strong jobs environment; and the current vehicle stock is unreliable and beyond repair, and there is no reliable public transportation.

Credit and Community Development Needs and Opportunities

Considering the demographic data, the ongoing COVID-19 pandemic, and the demographic and economic data, examiners determined that affordable home mortgage loans represent the primary credit need of the bank's assessment area. There is a need for affordable housing for both owner-occupied and rental use. Additionally, small business loans are in high demand, as supported by the significant percentage of businesses with GARs of \$1.0 million or less.

CONCLUSIONS ON PERFORMANCE CRITERIA IN PA NON-MSA ASSESSMENT AREA

LENDING TEST

Susquehanna Community Bank demonstrated reasonable performance under the Lending Test within the PA Non-MSA assessment area. The Borrower Distribution criterion performance primarily support this conclusion.

Geographic Distribution

The geographic distribution of loans reflects excellent dispersion throughout the PA Non-MSA assessment area. The bank's excellent performance of home mortgage lending supports this conclusion. Examiners focused on the percentage by number of loans in the five moderate-income census tracts located in Lewisburg in Union County and in Mount Carmel, Shamokin, and Sunbury in Northumberland County. The PA Non-MSA assessment area does not contain any low-income census tracts.

Home Mortgage Loans

The geographic distribution of home mortgage loans reflects excellent dispersion throughout the PA Non-MSA assessment area. Examiners compared the bank's home mortgage lending to aggregate lending and demographic data.

In 2020, the bank's geographic distribution of home mortgage loans in moderate-income census tracts of 6.0 percent exceeded the distribution of all lenders in aggregate, which showed 5.7 percent of loans originated in these tracts. The bank's percentage of lending in moderate-income tracts was slightly lower than the 7.1 percent of owner-occupied housing units located in those tracts. In addition, the FFIEC designated all 19 middle-income census tracts in Northumberland County as distressed due to unemployment. In 2020, the bank extended 99 home mortgage loans (37.2 percent) in these distressed census tracts.

Market share data further supports the bank's excellent performance. In 2020, 68 lenders originated 209 home mortgage loans in the moderate-income census tracts within the bank's PA Non-MSA assessment area. Susquehanna Community Bank ranked second in lending in moderate-income census tracts with a 7.7 percent market share. The bank's performance exceeded its overall market share of 7.2 percent. Only Quicken Loans, LLC originated more loans in moderate-income census tracts, with an 8.6 percent market share.

Geographic Distribution of Home Mortgage Loans PA Non-MSA Assessment Area						
Tract Income Level	% of Owner-Occupied Housing Units	Aggregate Performance % of #	#	%	\$(000s)	%
Low						
2020	0.0	0.0	0	0.0	0	0.0
Moderate						
2020	7.1	5.7	16	6.0	2,293	5.1
Middle						
2020	87.3	82.8	220	82.7	36,396	80.9
Upper						
2020	5.5	11.6	30	11.3	6,328	14.1
Not Available						
2020	0.1	0.0	0	0.0	0	0.0
Totals						
2020	100.0	100.0	266	100.0	45,017	100.0
Source 2015 ACS; Bank Data, 2020 HMDA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%						

Small Business Loans

As shown in the following table, the geographic distribution of small business loans reflects reasonable dispersion throughout the PA Non-MSA assessment area. In 2020, the bank originated 11 small business loans, or 4.5 percent in moderate-income census tracts, which was below demographic data that showed 10.4 percent of businesses operate within these tracts. However, Susquehanna Community Bank extended 79 (32.0 percent) small business loans in distressed census tracts, supporting reasonable performance in this assessment area.

Geographic Distribution of Small Business Loans PA Non-MSA Assessment Area					
Tract Income Level	% of Businesses	#	%	\$(000s)	%
Low					
2020	0.0	0	0.0	0	0.0
Moderate					
2020	10.4	11	4.5	615	2.6
Middle					
2020	82.8	213	86.2	19,896	85.3
Upper					
2020	6.4	23	9.3	2,813	12.1
Not Available					
2020	0.4	0	0.0	0	0.0
Totals					
2020	100.0	247	100.0	23,324	100.0
<i>Source 2020 D&B Data; Bank Data; "--" data not available. Due to rounding, totals may not equal 100.0%</i>					

Borrower Profile

The distribution of borrowers reflects reasonable penetration among individuals of different income levels and businesses of different sizes in the PA Non-MSA assessment area. The bank's reasonable lending performance to individuals of different income levels and to businesses of different sizes supports this conclusion. Examiners focused on the percentage by number of home mortgage loans to low- and moderate-income borrowers. Examiners also focused on the percentage by number of small business loans to businesses with GARs of \$1 million or less.

Home Mortgage Loans

The distribution of home mortgage loans to individuals of different income levels, including low- and moderate-income borrowers, is reasonable. Examiners compared the bank's home mortgage lending to demographic and aggregate lending data.

In 2020, the bank's distribution of home mortgage loans to low-income borrowers of 4.5 percent was below aggregate lending data, which showed 5.6 percent of loans originated by all lenders in aggregate to low-income borrowers. The bank's lending to low-income borrowers was also less than the 19 percent of families that earn low-incomes in this assessment area. Although the bank's level of lending activity is below the demographics, a low-income family in the assessment area, with an income of less than \$32,450, would not likely qualify for a mortgage loan under conventional underwriting standards, especially considering the median housing value of \$121,638. Examiners also considered the economic impacts of the COVID-19 pandemic in 2020, especially to low-income borrowers.

In 2020, the bank's distribution of home mortgage loans to moderate-income borrowers of 18.0 percent exceeded aggregate lending data, which showed 16.3 percent of loans originated by all lenders in aggregate to moderate-income borrowers. The bank's lending to moderate-income borrowers was slightly less than the 18.9 percent of families that earn moderate-incomes in this assessment area.

Distribution of Home Mortgage Loans by Borrower Income Level						
PA Non-MSA Assessment Area						
Borrower Income Level	% of Families	Aggregate Performance % of #	#	%	\$(000s)	%
Low						
2020	19.0	5.6	12	4.5	1,236	2.7
Moderate						
2020	18.9	16.3	48	18.0	5,646	12.5
Middle						
2020	21.6	21.2	51	19.2	6,708	14.9
Upper						
2020	40.5	41.5	145	54.5	29,417	65.3
Not Available						
2020	0.0	15.4	10	3.8	2,010	4.5
Totals						
2020	100.0	100.0	266	100.0	45,017	100.0
Source 2015 ACS; Bank Data, 2020 HMDA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%						

Small Business Loans

As shown in the following table, the distribution of small business borrowers reflects reasonable penetration among businesses of different sizes. In 2020, the small business loan sample included 69.7 percent of loans to businesses with GARs of \$1 million or less, which is below demographic data that shows 84.5 percent of the businesses earn GARs in this category. Although, the percentage of loans to small businesses with GARs of \$1 million or less was lower than demographic data, it represented a substantial majority of Susquehanna Community Bank's lending.

Distribution of Small Business Loans by Gross Annual Revenue Category PA Non-MSA Assessment Area					
Gross Revenue Level	% of Businesses	#	%	\$(000s)	%
<=\$1,000,000					
2020	84.5	23	69.7	1,750	45.5
>\$1,000,000					
2020	4.3	10	30.3	2,096	54.5
Revenue Not Available					
2020	11.2	0	0.0	0	0.0
Totals					
2020	100.0	33	100.0	3,846	100.0
Source 2020 D&B Data; Bank Data; "--" data not available. Due to rounding, totals may not equal 100.0%					

COMMUNITY DEVELOPMENT TEST

Susquehanna Community Bank demonstrated excellent responsiveness to the community development needs of the assessment area 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 88 community development loans totaling \$12.8 million in the PA Non-MSA assessment areas during the evaluation period. The following table illustrates the bank's community development lending activity by year and purpose.

Community Development Lending PA Non-MSA Assessment Area										
Activity Year	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
8/20/2018 – 12/31/2018	0	0	4	421	0	0	0	0	4	421
2019	0	0	2	20	0	0	0	0	2	20
2020	0	0	6	334	0	0	6	1,494	12	1,828
1/1/2021 – 9/13/2021	1	625	4	5,054	0	0	65	4,866	70	10,545
Total	1	625	16	5,829	0	0	71	6,360	88	12,814
Source Bank Data										

The following is a sample of community development loans that benefit the PA Non-MSA assessment area.

- During the evaluation period, the bank originated nine loans totaling nearly \$475,000 to a nonprofit organization that offers services to individuals living with intellectual and developmental disabilities. This organization, which relates to another organization that the bank provides financial support, used loan proceeds for transient housing, business vehicles, and working capital. The organization provides life-sharing arrangements, home-based supports, and community living arrangements to its disabled clients living in the Susquehanna Valley.
- In 2021, the bank provided a \$625,000 cash-out refinance loan to fund repairs to a 24-unit apartment complex for low- and moderate-income senior citizens. The Department of Housing and Urban Development (HUD) subsidizes the rents based upon 30 percent of the tenant's adjusted gross income. This loan supports affordable housing in the assessment area.
- In 2021, the bank originated 65 PPP loans totaling nearly \$4.9 million to businesses located in moderate-income or designated distressed PA Non-MSA middle-income census tracts. These loans revitalize or stabilize such tracts within the assessment area by supporting and maintaining businesses struggling during the COVID-19 pandemic.

Qualified Investments

During the evaluation period, the bank made 37 qualified investments totaling \$1.4 million benefitting this assessment area. This total includes 3 new investments totaling \$1.3 million and 34 donations totaling \$99,217. The following table illustrates the bank's qualified investment activity within the assessment area by investment type, year, and purpose.

Qualified Investments PA Non-MSA Assessment Area										
Activity Year	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
Prior Period	0	0	0	0	0	0	0	0	0	0
8/20/2018 – 12/31/2018	0	0	0	0	0	0	0	0	0	0
2019	0	0	2	770	0	0	0	0	2	770
2020	0	0	0	0	0	0	0	0	0	0
1/1/2021 – 9/13/2021	0	0	1	510	0	0	0	0	1	510
Subtotal	0	0	3	1,280	0	0	0	0	3	1,280
Qualified Grants & Donations	0	0	33	97	1	2	0	0	34	99
Total	0	0	36	1,377	1	2	0	0	37	1,379
<i>Source Bank Data</i>										

The following are notable examples of the bank's qualified investments and donations benefitting the PA Non-MSA assessment area.

- In 2019, the bank purchased two general obligation bonds from a school district in Northumberland County, PA. The school district, which is located in a designated distressed PA Non-MSA middle-income census tract, comprises 58 percent of students on free or reduced lunch programs. While the bank sold these investments in January 2020, the bank purchased another obligation bond for \$510,000 from the same school district. These investments support community development services within the assessment area.
- During the evaluation period, the bank made multiple donations totaling \$30,500 to a local community hospital's Charity Care program that provides health care services to low- and moderate-income persons at no or reduced cost. These donations support community development services in the assessment area.
- During the evaluation period, the bank made four donations totaling \$8,000 to a youth foundation that serves all of Northumberland County. The county is comprised mainly of designated distressed PA Non-MSA middle-income census tracts. This organization provides community development services in the assessment area.

Community Development Services

During the evaluation period, bank staff provided 20 instances of financial expertise or technical assistance to 8 different community development organizations within the PA Non-MSA assessment area. The following table illustrates the bank's community development services by year and purpose.

Community Development Service Instances PA Non-MSA Assessment Area					
Activity Year	Affordable Housing	Community Services	Economic Development	Revitalize or Stabilize	Totals
	#	#	#	#	#
8/20/2018 – 12/31/2018	1	2	1	0	4
2019	1	4	2	0	7
2020	0	2	2	0	4
1/1/2021 – 9/13/2021	1	2	2	0	5
Total	3	10	7	0	20
<i>Source Bank Data</i>					

The following are notable examples of the bank's qualified service activities in the assessment area.

- A bank director serves as chairperson of a housing organization that serves Union County. The organization provides safe, decent, and affordable housing to income-eligible residents and other related community services within the county.

- A bank officer serves as a board member of a redevelopment organization in Union County. The organization supports economic development, affordable housing, and other related community services within the county.
- A bank officer serves as an officer of a nonprofit organization in Northumberland County. The organization offers a homeless shelter and other essentials for low- and moderate-income people in the county. This organization supports community development services in the assessment area.

WILLIAMSPORT, PA MSA ASSESSMENT AREA – Limited-Scope Review

DESCRIPTION OF INSTITUTION’S OPERATIONS IN WILLIAMSPORT, PA MSA ASSESSMENT AREA

The Williamsport, PA MSA assessment area includes Lycoming County in its entirety. The bank did not previously operate any branches in this MSA; therefore, bank management appropriately included Lycoming County as part of their assessment area during the review period.

The bank’s Williamsport, PA MSA assessment area includes 29 census tracts. The demographics of these census tracts include:

- 2 low-income census tracts;
- 4 moderate-income census tracts;
- 21 middle-income census tracts; and
- 2 upper-income census tracts;

The following tables illustrate select demographics of the assessment area and the MFI of the assessment area.

Demographic Information of the Williamsport, PA MSA Assessment Area						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	29	6.9	13.8	72.4	6.9	0.0
Population by Geography	116,656	5.8	11.7	75.9	6.6	0.0
Housing Units by Geography	52,641	5.2	11.5	76.8	6.4	0.0
Owner-Occupied Units by Geography	32,187	1.4	7.2	84.3	7.0	0.0
Occupied Rental Units by Geography	13,719	12.9	19.7	61.3	6.2	0.0
Vacant Units by Geography	6,735	7.9	15.6	72.9	3.7	0.0
Businesses by Geography	9,149	5.0	16.6	71.4	7.0	0.0
Farms by Geography	371	0.5	4.3	90.6	4.6	0.0
Family Distribution by Income Level	29,537	20.0	18.7	22.1	39.2	0.0
Household Distribution by Income Level	45,906	23.7	16.5	17.6	42.1	0.0
Median Family Income - 48700 Williamsport, PA MSA		\$60,191	Median Housing Value			\$135,328
Families Below Poverty Level		10.2%	Median Gross Rent			\$719
Source 2015 ACS and 2020 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.						

Median Family Income Ranges				
Median Family Income	Low <50%	Moderate 50% to <80%	Middle 80% to <120%	Upper ≥120%
Williamsport, PA MSA Median Family Income (48700)				
2020 (\$64,800)	<\$32,400	\$32,400 to <\$51,840	\$51,840 to <\$77,760	≥\$77,760
Source FFIEC				

The bank's Williamsport, PA MSA assessment area is a moderately competitive market for financial services. According to the June 30, 2021 FDIC Deposit Market Share data, there were 13 financial institutions that operated 47 full-service branches within the bank's Williamsport, PA MSA assessment area. Of these institutions, Susquehanna Community Bank ranked last with a 0.3 percent deposit market share.

There is a moderate level of competition for home mortgage loans among banks, credit unions, and non-depository mortgage lenders. In 2020, 177 lenders reported 4,052 residential mortgage loans originated or purchased in this assessment area. Susquehanna Community Bank ranked 21st out of this group of lenders, with a market share of 0.8 percent. The three most prominent home mortgage lenders (Jersey Shore State Bank, The Muncy Bank and Trust Company, and Primelending) accounted for 37.2 percent of total market share.

As stated previously, the bank is not required to collect or report small business loan data, and has not elected to do so. Therefore, analysis of small business loans under the Lending Test does not include comparisons against aggregate data. The aggregate data, however, reflects the level of

demand for small business loans. Aggregate data for 2019 shows that 61 lenders reported 1,879 small business loans, indicating a moderate degree of competition for this product. The three most prominent small business lenders, all credit card lenders, accounted for 34.2 percent of total market share.

CONCLUSIONS ON PERFORMANCE CRITERIA IN WILLIAMSPORT, PA MSA ASSESSMENT AREA

LENDING TEST

The institution's Lending Test performance in the Williamsport, PA MSA assessment area is consistent with overall performance. In 2020, the bank originated 31 home mortgage loans totaling approximately \$12.6 million and 35 small business loans totaling approximately \$6.0 million.

Geographic Distribution

Home Mortgage Loans

Geographic Distribution of Home Mortgage Loans Williamsport, PA MSA Assessment Area						
Tract Income Level	% of Owner-Occupied Housing Units	Aggregate Performance % of #	#	%	\$(000s)	%
Low						
2020	1.4	1.1	0	0.0	0	0.0
Moderate						
2020	7.2	6.5	5	16.1	1,163	9.2
Middle						
2020	84.3	83.4	21	67.7	9,908	78.7
Upper						
2020	7.0	9.0	5	16.1	1,515	12.0
Totals						
2020	100.0	100.0	31	100.0	12,586	100.0
<i>Source 2015 ACS; Bank Data, 2020 HMDA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%</i>						

Small Business Loans

Geographic Distribution of Small Business Loans Williamsport, PA MSA Assessment Area					
Tract Income Level	% of Businesses	#	%	\$(000s)	%
Low					
2020	5.0	0	0.0	0	0.0
Moderate					
2020	16.6	10	28.6	2,232	37.3
Middle					
2020	71.4	22	62.9	2,518	42.0
Upper					
2020	7.0	3	8.6	1,240	20.7
Totals					
2020	100.0	35	100.0	5,990	100.0
<i>Source 2020 D&B Data; Bank Data; "--" data not available. Due to rounding, totals may not equal 100.0%</i>					

Borrower Profile

Home Mortgage Loans

Distribution of Home Mortgage Loans by Borrower Income Level Williamsport, PA MSA Assessment Area						
Borrower Income Level	% of Families	Aggregate Performance % of #	#	%	\$(000s)	%
Low						
2020	20.0	4.6	0	0.0	0	0.0
Moderate						
2020	18.7	15.6	3	9.7	470	3.7
Middle						
2020	22.1	22.6	6	19.4	633	5.0
Upper						
2020	39.2	42.0	18	58.1	4,256	33.8
Not Available						
2020	0.0	15.2	4	12.9	7,227	57.4
Totals						
2020	100.0	100.0	31	100.0	12,586	100.0
<i>Source 2015 ACS; Bank Data, 2020 HMDA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%</i>						

Small Business Loans (Sample)

Distribution of Small Business Loans by Gross Annual Revenue Category					
Williamsport, PA MSA Assessment Area					
Gross Revenue Level	% of Businesses	#	%	\$(000s)	%
<=\$1,000,000					
2020	83.8	2	40.0	565	54.3
>\$1,000,000					
2020	4.5	3	60.0	475	45.7
Revenue Not Available					
2020	11.7	0	0.0	0	0.0
Totals					
2020	100.0	5	100.0	1,040	100.0
<i>Source 2020 D&B Data; Bank Data; "--" data not available. Due to rounding, totals may not equal 100.0%</i>					

COMMUNITY DEVELOPMENT TEST

Susquehanna Community Bank's community development performance in the Williamsport, PA MSA assessment area is consistent with the bank's community development performance in the PA Non-MSA assessment area that examiners reviewed using the full scope examination procedures. When forming conclusions, examiners considered the bank's recent addition of this assessment area with the opening of its Williamsport branch office in September 2019.

Community Development Loans

Susquehanna Community Bank's community development lending performance in the Williamsport, PA MSA assessment area is consistent with the bank's community development lending performance in the PA Non-MSA assessment area that examiners reviewed using the full scope examination procedures. The bank made six community development loans totaling \$998,986 within this assessment area. All of these loans were PPP loans that supported revitalization or stabilization of low- and moderate-income census tracts in the assessment area.

Qualified Investments

Susquehanna Community Bank's investment performance in the Williamsport, PA MSA assessment area is lower than the bank's investment performance in the PA Non-MSA assessment area; however, it does not change the conclusion for the Community Development Test. While the bank made no new qualified investments in this assessment area, the bank made 16 donations totaling \$34,075 that specifically benefitted community services in this assessment area.

Community Development Services

Susquehanna Community Bank's service performance in the Williamsport, PA MSA assessment area is consistent with the bank's service performance in the PA Non-MSA assessment area. The bank provided six instances of community development services to two economic development organizations in the 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. Institution CDCs can develop innovative debt instruments or provide near-equity investments tailored to the development needs of the community. Institution 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 institution:
 - (i) Has not been reported or collected by the institution or an affiliate for consideration in the institution'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 institution's assessment area(s) or a broader statewide or regional area including the institution'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 institution'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 **PA 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.

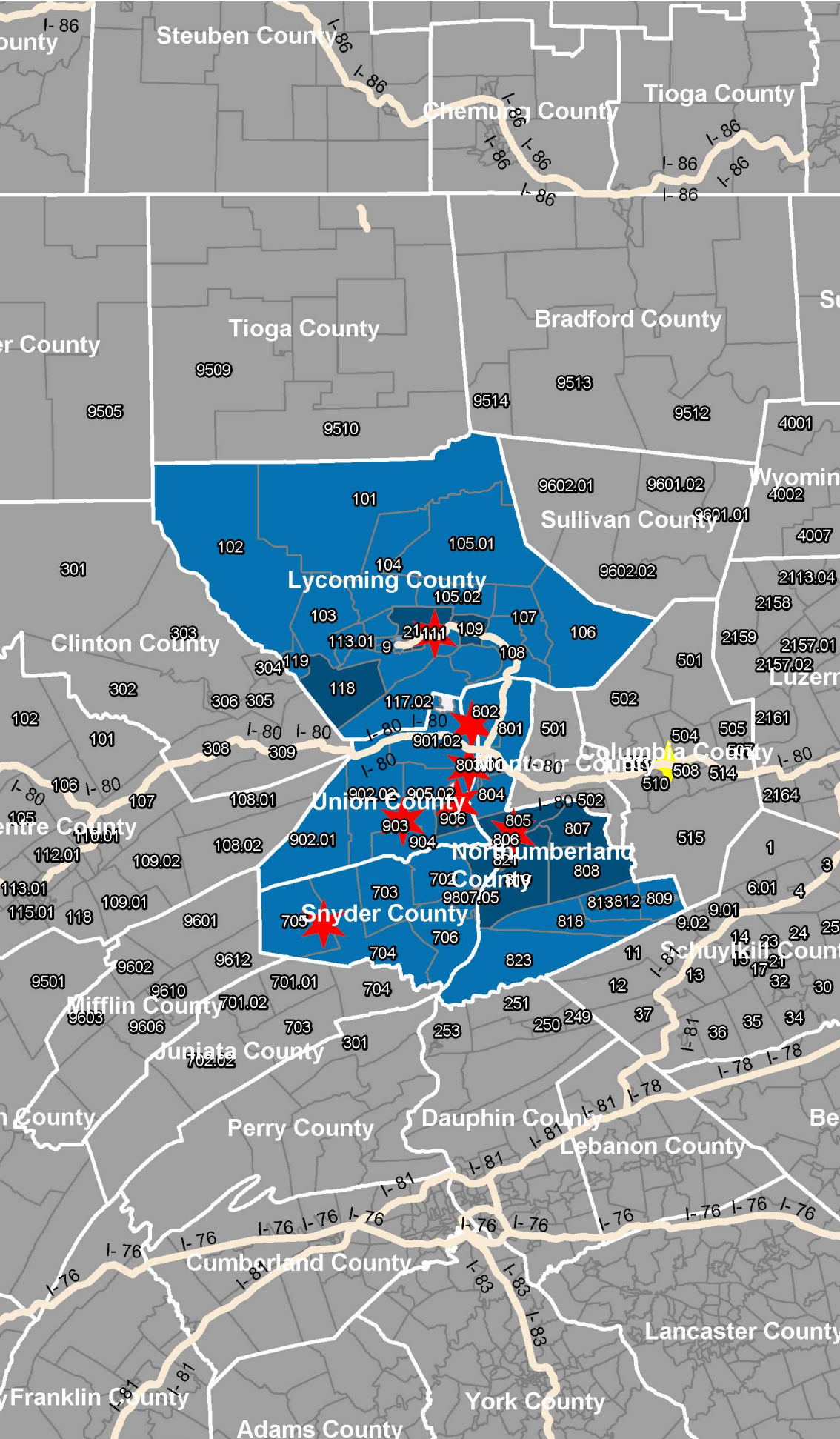
Upper-Income: Individual income that is 120 percent or more of the area median income, or a median family income that is 120 percent or more in the case of a geography.

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.

Assessment Area Map and Tracts

Susquehanna Community Bank - 2024 HMDA - ASSESSMENT AREA INCOME MAP
Assessment Area 2024*



Income Level



- ★ Bank Branches
- ★ LPO Locations

2024 CRA ASSESSMENT AREA CENSUS TRACTS

State ID	State	County ID	County Name	MSA/MD	MSA/MD Name	Tract	Tract Income Level
42	PA	119	UNION			9808.00	4:Upper
42	PA	119	UNION			9805.01	0:NA
42	PA	119	UNION			9801.01	0:NA
42	PA	119	UNION			0907.00	3:Middle
42	PA	119	UNION			0906.00	4:Upper
42	PA	119	UNION			0905.02	3:Middle
42	PA	119	UNION			0904.00	3:Middle
42	PA	119	UNION			0903.00	3:Middle
42	PA	119	UNION			0902.02	3:Middle
42	PA	119	UNION			0902.01	3:Middle
42	PA	119	UNION			0901.02	3:Middle
42	PA	109	SNYDER			9807.05	4:Upper
42	PA	109	SNYDER			0707.01	3:Middle
42	PA	109	SNYDER			0706.00	3:Middle
42	PA	109	SNYDER			0705.00	3:Middle
42	PA	109	SNYDER			0704.00	3:Middle
42	PA	109	SNYDER			0703.00	3:Middle
42	PA	109	SNYDER			0702.00	3:Middle
42	PA	109	SNYDER			0701.00	4:Upper
42	PA	097	NORTHUMBERLAND			0824.00	3:Middle
42	PA	097	NORTHUMBERLAND			0823.00	3:Middle
42	PA	097	NORTHUMBERLAND			0822.00	2:Moderate
42	PA	097	NORTHUMBERLAND			0821.00	3:Middle
42	PA	097	NORTHUMBERLAND			0820.00	3:Middle
42	PA	097	NORTHUMBERLAND			0819.00	4:Upper
42	PA	097	NORTHUMBERLAND			0818.00	3:Middle
42	PA	097	NORTHUMBERLAND			0817.00	2:Moderate
42	PA	097	NORTHUMBERLAND			0816.00	2:Moderate
42	PA	097	NORTHUMBERLAND			0815.00	3:Middle
42	PA	097	NORTHUMBERLAND			0814.00	3:Middle
42	PA	097	NORTHUMBERLAND			0813.00	2:Moderate
42	PA	097	NORTHUMBERLAND			0812.00	3:Middle
42	PA	097	NORTHUMBERLAND			0811.00	2:Moderate
42	PA	097	NORTHUMBERLAND			0810.00	2:Moderate
42	PA	097	NORTHUMBERLAND			0809.00	3:Middle
42	PA	097	NORTHUMBERLAND			0808.00	4:Upper
42	PA	097	NORTHUMBERLAND			0807.00	4:Upper
42	PA	097	NORTHUMBERLAND			0806.00	3:Middle
42	PA	097	NORTHUMBERLAND			0805.00	4:Upper
42	PA	097	NORTHUMBERLAND			0804.00	3:Middle
42	PA	097	NORTHUMBERLAND			0803.02	3:Middle
42	PA	097	NORTHUMBERLAND			0803.01	3:Middle
42	PA	097	NORTHUMBERLAND			0802.00	3:Middle
42	PA	097	NORTHUMBERLAND			0801.00	3:Middle
42	PA	081	LYCOMING	48700	WILLIAMSPORT, PA	0119.00	3:Middle
42	PA	081	LYCOMING	48700	WILLIAMSPORT, PA	0118.00	4:Upper
42	PA	081	LYCOMING	48700	WILLIAMSPORT, PA	0117.02	3:Middle
42	PA	081	LYCOMING	48700	WILLIAMSPORT, PA	0117.01	3:Middle
42	PA	081	LYCOMING	48700	WILLIAMSPORT, PA	0116.04	4:Upper
42	PA	081	LYCOMING	48700	WILLIAMSPORT, PA	0116.03	4:Upper
42	PA	081	LYCOMING	48700	WILLIAMSPORT, PA	0116.01	3:Middle
42	PA	081	LYCOMING	48700	WILLIAMSPORT, PA	0114.00	3:Middle
42	PA	081	LYCOMING	48700	WILLIAMSPORT, PA	0113.02	3:Middle
42	PA	081	LYCOMING	48700	WILLIAMSPORT, PA	0113.01	3:Middle

2024 CRA ASSESSMENT AREA CENSUS TRACTS

42	PA	081	LYCOMING	48700	WILLIAMSPORT, PA	0112.00	4:Upper
42	PA	081	LYCOMING	48700	WILLIAMSPORT, PA	0111.00	3:Middle
42	PA	081	LYCOMING	48700	WILLIAMSPORT, PA	0110.00	3:Middle
42	PA	081	LYCOMING	48700	WILLIAMSPORT, PA	0109.00	4:Upper
42	PA	081	LYCOMING	48700	WILLIAMSPORT, PA	0108.00	3:Middle
42	PA	081	LYCOMING	48700	WILLIAMSPORT, PA	0107.00	3:Middle
42	PA	081	LYCOMING	48700	WILLIAMSPORT, PA	0106.00	3:Middle
42	PA	081	LYCOMING	48700	WILLIAMSPORT, PA	0105.02	3:Middle
42	PA	081	LYCOMING	48700	WILLIAMSPORT, PA	0105.01	3:Middle
42	PA	081	LYCOMING	48700	WILLIAMSPORT, PA	0104.00	3:Middle
42	PA	081	LYCOMING	48700	WILLIAMSPORT, PA	0103.00	3:Middle
42	PA	081	LYCOMING	48700	WILLIAMSPORT, PA	0102.00	3:Middle
42	PA	081	LYCOMING	48700	WILLIAMSPORT, PA	0101.00	3:Middle
42	PA	081	LYCOMING	48700	WILLIAMSPORT, PA	0010.00	3:Middle
42	PA	081	LYCOMING	48700	WILLIAMSPORT, PA	0009.00	3:Middle
42	PA	081	LYCOMING	48700	WILLIAMSPORT, PA	0008.00	0:NA
42	PA	081	LYCOMING	48700	WILLIAMSPORT, PA	0006.00	3:Middle
42	PA	081	LYCOMING	48700	WILLIAMSPORT, PA	0005.00	3:Middle
42	PA	081	LYCOMING	48700	WILLIAMSPORT, PA	0004.00	1:Low
42	PA	081	LYCOMING	48700	WILLIAMSPORT, PA	0003.00	2:Moderate
42	PA	081	LYCOMING	48700	WILLIAMSPORT, PA	0002.00	4:Upper
42	PA	081	LYCOMING	48700	WILLIAMSPORT, PA	0001.00	3:Middle

Tract Count: 76

County Count: 4

Branches

Susquehanna Community Bank
Branch Locations

West Milton – Main Office

940 High Street

West Milton, PA 17886-7164

Phone (570)568-6851

Geography: Union County

Census Track: 42-119-0905.02

Lewisburg

2005 Market Street

Lewisburg, PA 17837-9601

Phone (570)524-7800

Geography: Union County

Census Track: 42-119-0906.00

Mifflinburg

40 Hardees Drive

Mifflinburg, PA 17844-7062

Phone (570)966-2555

Geography: Union County

Census Track: 42-119-0902.02

Watsontown

1025 Main Street

Watsontown, PA 17777-1422

Phone (570)538-3698

Geography: Northumberland County

Census Track: 42-097-0802.00

Beaver Springs

19179 Route 522

Beaver Springs, PA 17812-9479

Phone (570)658-7542

Geography: Snyder County

Census Track: 42-109-0705.00

Northumberland

397 Point Township Drive

Northumberland, PA 17857-8853

Geography: Northumberland County

Census Track: 42-097-0805.00

Williamsport

2409 East Third Street

Williamsport, PA 17701-

Geography: Lycoming County

Census Track: 42-081-0111.00

Branches Opened and Closed

APRIL 1, 2024

There have been no new branch openings/closings in the past two years

Service Charge Schedule

CONSUMER CHECKING
FREEdom

- Electronic Statements REQUIRED or \$5.00 monthly fee
- You may make unlimited deposits into your account
- Online Banking and Bill Pay included

Liberty

- You may make unlimited deposits into your account
- \$.50 Per Check Fee for each check over 10 per statement cycle
- \$2.95 monthly Account Value Charge
- ID Protect, Online Banking and Bill Pay included

Eagle Advantage

- Monthly Maintenance Fee:
 - \$8.00 Minimum Balance Maintenance Fee if balance falls below \$300 on any day in the statement cycle
 - \$2.95 monthly Account Value Charge
- You may make unlimited deposits into your account
- ID Protect, Online Banking & Bill Pay included

Good Neighbors Club

- Must be 50 years of age or older
- \$500 minimum daily balance to obtain the disclosed Annual Percentage Yield
- You may make unlimited deposits into your account
- \$1.95 monthly Account Value Charge
- Good Neighbors Club checks included
- ID Protect, Online Banking and Bill Pay included

BUSINESS CHECKING
Business Advantage

- \$2,500 minimum daily balance to obtain the disclosed Annual Percentage Yield
- An Average Monthly Combined Deposit Balance of \$50,000 or greater avoids Excess Item and Minimum Balance Fees. Combined Balances refers to all primary deposit accounts under the same Tax ID Number; including, Business Advantage, Money Market, Market Share, Savings and Certificate of Deposit accounts
- You may make unlimited number of deposits into your account, Excess Item Fee may apply
- \$5.00 per Telephone Transfer debit

Excess Item Fees

- If you maintain an Average Monthly Combined Deposit Balance of \$10,000 to \$49,999, you will incur an Excess Item Fee of \$0.15 per item* if you exceed 200 per statement cycle
- If you maintain an Average Monthly Combined Deposit Balance of \$2,500 to \$9,999, you will incur an Excess Item Fee of \$0.15 per item* if you exceed 100 per statement cycle
- If you maintain an Average Monthly Combined Deposit Balance of \$0.00 to \$2,499, you will incur an Excess Item Fee of \$0.15 per item* if you exceed 50 per statement cycle

* All debit, credit, and deposited items are included in the Excess Item Fee count (such as: checks; deposits; ACH transactions; ATM/POS transactions; Online Banking transactions; Wire Transfers In/Out; and Sweep transactions).

Maintenance Fee

- If you maintain an Average Monthly Combined Deposit Balance of \$10,000 to \$49,999, you will incur a Minimum Balance Fee of \$2.00
- If you maintain an Average Monthly Combined Deposit Balance of \$2,500 to \$9,999, you will incur a Minimum Balance Fee of \$4.00
- If you maintain an Average Monthly Combined Deposit Balance of \$0.00 to \$2,499, you will incur a Minimum Balance Fee of \$6.00

Business Freedom

- Excess Item Fee - \$0.15 per item* if exceeds 200 items* in a statement cycle

* All debit, credit, and deposited items are included in the Excess Item Fee count (such as: checks; deposits; ACH transactions; ATM/POS transactions; Online Banking transactions; Wire Transfers In/Out; and Sweep transactions).
- You may make unlimited deposits into your account, Excess Item Fee may apply
- \$5.00 per Telephone Transfer debit

CONSUMER SAVINGS

Money Market Demand Account

- \$2,500.00 minimum deposit to open account
- \$.01 minimum daily balance to obtain the disclosed Annual Percentage Yield
- \$10.00 Maintenance Fee if balance falls below \$2,500.00 on any day in the statement cycle
- You may make unlimited deposits into your account
- \$20.00 Excess Debit Fee will be charged for each DEBIT in excess of six during a statement cycle. (DEBITS are defined as: Checks, ACH/Automated Clearing House, POS/Point of Sale, Telephone Transfers, Online & Mobile Banking Transfers, Wires and ATM Withdrawals).

Liberty Premium Market Share Account

- \$25,000 minimum deposit to open account
- \$25,000 NEW money required to open account
- \$.01 minimum daily balance to obtain the disclosed Annual Percentage Yield
- You may make unlimited deposits into your account
- You may make unlimited withdrawals from your account

Statement Savings

- \$100.00 minimum balance requirement to avoid fees
- \$5.00 Minimum Balance Fee if balance falls below \$100 on any day in the statement cycle
- You may make unlimited deposits into your account
- \$1.00 Excess Debit Fee will be charged for each DEBIT in excess of three during a calendar month. (DEBITS are defined as: Checks, ACH/Automated Clearing House, POS/Point of Sale, Telephone Transfers, Online & Mobile Banking Transfers, Wires and ATM Withdrawals).

Junior Banker & Minor Accounts

- \$5.00 minimum deposit to open account
- \$.01 minimum daily balance to obtain the disclosed Annual Percentage Yield
- You may make unlimited deposits into your account
- \$1.00 Excess Debit Fee will be charged for each DEBIT in excess of three during a calendar month. (DEBITS are defined as: Checks, ACH/Automated Clearing House, POS/Point of Sale, Telephone Transfers, Online & Mobile Banking Transfers, Wires and ATM Withdrawals).

Eagle Premium Savings

- \$100,000 minimum deposit to open account
- \$25,000 new money required
- \$.01 minimum daily balance to obtain the disclosed Annual Percentage Yield
- You may make unlimited deposits into your account
- \$10.00 Maintenance Fee if balance falls below \$25,000.00 on any day in the statement cycle
- \$20.00 Excess Debit Fee will be charged for any withdrawal/debit in excess of TWO debits semi-annually (January 1-June 30 and July 1-December 31). (DEBITS are defined as: Checks, ACH/Automated Clearing House, POS/Point of Sale, Telephone Transfers, Online & Mobile Banking Transfers, Wires and ATM Withdrawals). ONLY the monthly compounded interest may be withdrawn.

Club Accounts (All-Purpose & Christmas Clubs)

- \$2.00 minimum balance to obtain the disclosed annual percentage yield
- You may make unlimited deposits into your account
- \$10.00 Early Closing Fee if account is closed before the disbursement date
- 1 free withdrawal; \$10.00 for each additional withdrawal (no limit)

Certificates of Deposit

- Flexible interest payment options
- Variety of terms available ranging from 182 days to 60 months with automatic renewal
- Minimum balance of \$500 required for all terms
- Early withdrawal penalties may apply

INDIVIDUAL RETIREMENT ACCOUNTS (IRA)

Eagle Premium IRA (Traditional or Roth)

(only available to existing account holders as of 11/3/2022)

- \$100,000 minimum deposit to open account
- \$25,000 new money required
- \$.01 minimum daily balance to obtain the disclosed Annual Percentage Yield
- You may make unlimited deposits into your account
- \$10.00 Maintenance Fee if balance falls below \$25,000.00 on any day in the statement cycle
- \$20.00 Excess Debit Fee will be charged for any withdrawal/debit in excess of ONE debit per calendar month. (DEBITS are defined as: Checks, ACH/Automated Clearing House, POS/Point of Sale, Telephone Transfers, Online & Mobile Banking Transfers and ATM Withdrawals). ONLY the monthly compounded interest may be withdrawn

IRA Certificate of Deposit

- Traditional and Roth available
- Variety of terms available ranging from 12 months to 60 months with automatic renewal
- Tiered interest rates, compounded semi-annually and at maturity
- Make deposits any time or setup an automatic transfer, not to exceed government limits
- Early withdrawal penalties may apply

BUSINESS SAVINGS

Money Market Demand Account

- \$2,500.00 minimum deposit to open account
- \$.01 minimum daily balance to obtain the disclosed Annual Percentage Yield
- \$10.00 Maintenance Fee if balance falls below \$2,500.00 on any day in the statement cycle
- You may make unlimited deposits into your account
- \$20.00 Excess Debit Fee will be charged for each DEBIT in excess of six during a statement cycle. (DEBITS are defined as: Checks, ACH/Automated Clearing House, POS/Point of Sale, Telephone Transfers, Online & Mobile Banking Transfers, Wires and ATM Withdrawals).

Liberty Premium Market Share Account

- \$25,000 minimum deposit to open account
- \$25,000 NEW money required to open account
- \$.01 minimum daily balance to obtain the disclosed Annual Percentage Yield
- You may make unlimited deposits into your account
- You may make unlimited withdrawals from your account

Statement Savings

- \$100.00 minimum balance requirement to avoid fees
- \$5.00 Minimum Balance Fee if balance falls below \$100 on any day in the statement cycle
- You may make unlimited deposits into your account
- \$1.00 Excess Debit Fee will be charged for each DEBIT in excess of three during a statement cycle. (DEBITS are defined as: Checks, ACH/Automated Clearing House, POS/Point of Sale, Telephone Transfers, Online & Mobile Banking, Wires Transfers and ATM Withdrawals).

Eagle Premium Savings

- \$100,000 minimum deposit to open account
- \$.01 minimum daily balance to obtain the disclosed Annual Percentage Yield
- You may make unlimited deposits into your account
- \$10.00 Maintenance Fee if balance falls below \$25,000.00 on any day in the statement cycle
- \$20.00 Excess Debit Fee will be charged for any withdrawal/debit in excess of TWO debits semi-annually (January 1-June 30 and July 1-December 31). (DEBITS are defined as: Checks, ACH/Automated Clearing House, POS/Point of Sale, Telephone Transfers, Online & Mobile Banking Transfers, Wires and ATM Withdrawals). ONLY the monthly compounded interest may be withdrawn.

SERVICE CHARGE SCHEDULE

The following fees may be assessed against your account, and the following transaction limitations, if any, apply to your account:

DEBIT CARDS

Foreign Withdrawal at ATM Transactions we do not own or operate (excludes MoneyPass® ATMs)	\$2.00 per transaction
Replace DEBIT card in excess of 3 in 12 months (This fee is waived when fraud is involved) 2/8/24	\$10.00
Foreign Cardholder Withdrawals at our ATMs	\$3.00 per transfer
International Service Assessment (ISA) Fee on International Transactions (effective 9/1/17)	1% of Transaction Amount
Withdrawal Limits: You may not withdraw more than \$500.00 in cash from your account(s) per day with your DEBIT card. (effective 5/1/15)	
Overall DEBIT limit is \$1,500.00 per day. (effective 5/1/15)	

CHECKING ACCOUNTS

Check Printing	Varies by style and quantity
Deposit/Withdrawal Tickets	Current Pricing
Account Closing Fee (if account closed within 90 days from opening date) (effective 9/1/17)	\$10.00
Counter Checks --- 4 checks per sheet (5/21/15)	\$2.00/sheet
Treasurer's Check (customers only – 9/26/03)	\$10.00
Money Order (9/26/03 - not available to non-customers) (5/31/13 - \$1,000 MAXIMUM AMOUNT)	\$5.00
Transfer to cover overdraft or pre-set balance (excludes transfer from Lines of Credit) effective 11/1/18	\$5.00
Dormant Account: Account is dormant if for two years there have been no deposits or withdrawals to the account.	\$5.00

Levies/Garnishment (effective Sept. 2010)	\$150.00
Return Item (1/1/12) <i>(Includes Automated Clearing House (ACH) Origination Returns – 3/1/19)</i>	\$15.00
Statement out of cycle (5/14/14)	\$5.00
Nonsufficient Funds (NSF) Fee - per item/transaction paid or returned for initial and multiple presentments of the same item or transaction - (effective 1/11/11 – updated 6/28/2022) <i>This applies to overdrafts created by check, in-person withdrawal, or by electronic means, with the exception of one-time ATM and Point of Sale (POS) transactions. See the Terms and Conditions Overdraft Addendum for more information.</i>	\$35.00
Copies of checks	\$5.00
Stop Payment (Non-Recurring) (1/11/11)	\$35.00
Stop Payment (EFT Recurring Item) (1/11/11)	\$35.00
• Each additional recurring item presented	\$15.00
Telephone Transfer (free through Telephone, Online & Mobile Banking) -- <i>Consumer & Business accounts (effective 2/1/17- modified 8/1/18)</i>	\$5.00
Transcript Statement	\$5.00
SAVINGS ACCOUNTS	
Account Closing Fee (if account closed within 90 days from opening date)	\$10.00
Club Account closed before maturity	\$10.00
Club Account withdrawal fee, no limit (1 FREE withdrawal) (1/22/09)	\$10.00
Dormant Account: An account is dormant if for two years there have been no deposits or withdrawals to the account.	\$5.00
Nonsufficient Funds (NSF) Fee - per item/transaction paid or returned for initial and multiple presentments of the same item or transaction - (effective 1/11/11 – updated 6/28/2022) <i>This applies to overdrafts created by check, in-person withdrawal, or by electronic means, with the exception of one-time ATM and Point of Sale (POS) transactions. See the Terms and Conditions Overdraft Addendum for more information.</i>	\$35.00
IRA Transfers out of Bank (2/1/17)	Greater of 6 months interest or \$25.00
OTHER SERVICES	
Collections: In or Out	\$15.00
Records Research Fee (effective 3/1/19, increase to \$30.00 per hour with \$30.00 minimum)	\$30.00 per hour Minimum \$30.00
Account Balancing Fee (effective 3/1/19)	\$30.00 per hour Minimum \$30.00
Fax Usage (Consumer) Fax Usage (Business) effective 6/15/99	\$1.00 per page \$3.00
Foreign Currency Order	\$10.00 + costs
Canadian Check Fee (effective 1/3/2023)	<i>no longer accepted</i>
Indemnity Bond	\$25.00
Tax Refund Check Cashing Fee	Greater of \$20.00 or 1%
Photocopies	\$.25 each
Signature Guarantee (customer only) Trust transactions will be NO CHARGE. (revised 7/2015)	\$50.00
External Transfer transaction fee – through Personal Online Banking (2/1/17) • 1-day transfer • 3-day transfer	\$3.00 per transaction \$1.50 per transaction
Wire Transfers (customers only): • Outgoing • Incoming • Foreign	\$30.00 \$15.00 \$50.00

Bank Bags <i>(effective 1/1/19)</i>	
<i>Zipper Bags</i>	
• Medium Zipper Bag	\$6.75
• Large Zipper Bag	\$7.75
One-Time Use (disposable) Bags	
	\$0.30
<i>Lock Bags</i>	
• Small Lock Bag	\$35.00
• Large Lock Bag	\$45.00
SAFE DEPOSIT BOXES	
2 x 5	\$18.00
3 x 5	\$20.00
4 x 5	\$24.00
5 x 5	\$25.00
2 ½ x 10	\$28.00
3 x 10	\$30.00
3 ¼ x 10	\$35.00
5 x 10	\$40.00
10 x 10	\$75.00
Safe Deposit Box Inventory (per hour, \$10.00 minimum)	\$20.00
Replace Lost Key	\$15.00
Drill Box	\$200.00
Rental Delinquency (over 30 days)	\$15.00

Bank Products and Services

Products and Service

Checking Accounts

- Personal Checking
- Interest Bearing Checking
- Good Neighbors Club-*checking Account and more for individual's age 50 and older*
- Eagle Advantage Checking
- Regular and Specialized Business Checking
- Overdraft Protection

Savings and Club Accounts

- Statement Savings
- Junior Bankers Club-*statement savings account and more for children age 13 and younger*
- Eagle Premium Savings
- Christmas Clubs
- All-Purpose Clubs
- Money Market
- Liberty Premium Market Share Account

Time Deposit Accounts

- Certificate of Deposits
- Individual Retirement Accounts

Electronic Banking Services

- Direct Deposit-Payroll, Retirement, Social Security, Government
- Automatic Transfer
- Telephone Transfer
- 24-Hour Automatic Teller-VISA
- Direct Wire Transfers
- Telephone Banking
- Internet Banking
- Billpay-Zelle
- Mobile Banking
- Mobile Deposit

Security Services

- Safe Deposit Boxes
- Treasures Checks
- Personal Money Orders
- Guarantee Signatures

Loan Services

- Real Estate Loan-Conventional, VA, FHA, USDA, SBA
- Auto Loan
- Home Equity Loan
- Home Improvement Loan
- Business Loan
- Personal Loan
- Installment Loan
- Personal Credit Line/Overdraft Protection
- Home Equity Lines of Credit
- Eagle Express Line of Credit

Special Services

- Foreign Currency
- Consumer and Business Credit Cards-VISA
- Personal Banker Program

For Your Convenience

- Drive-Thru Window Services
- 24-Hour Night Depository
- Bank by Mail
- Statement Reconciliation
- Notary Service
- Money Pass
- ID Theft Protection

Investment Services

- Cetera Investment Services- *Mutual Funds, Annuities, Retirement Planning*
- Trust Services- C & N Bank

Treasury Management/Merchant Service

- Merchant Services Credit Card and Debit Card Processing
- Positive Pay
- Business Online Banking
- Small Business Bill Pay
- Remote Deposit Capture

Branch Office Hours

SUSQUEHANNA COMMUNITY BANK OFFICE HOURS

LOBBY HOURS

- **MONDAY – TUESDAY - THURSDAY**
8:30 a.m. – 5:00 p.m.
- **WEDNESDAY**
8:30 a.m. – 12:00 p.m.
- **FRIDAY**
8:30 a.m. – 6:00 p.m.

DRIVE-IN HOURS

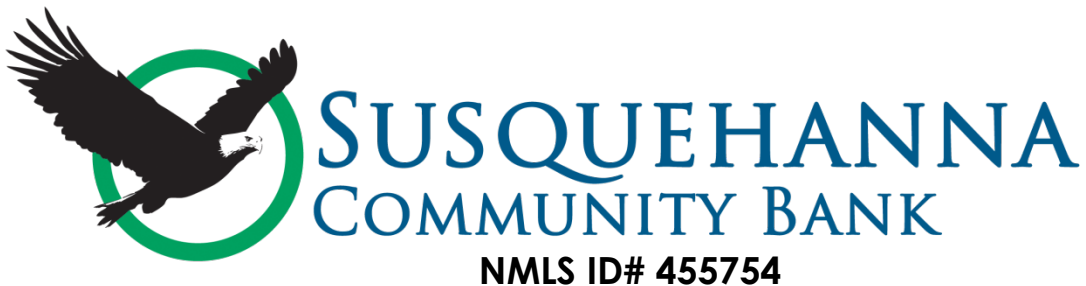
- **MONDAY – THURSDAY**
8:00 a.m. – 5:00 p.m.
- **FRIDAY**
8:00 a.m. - 6:00 p.m.
- **SATURDAY**
8:00 a.m. – 12:00 p.m.

Loan to Deposit Ratio

SUSQUEHANNA COMMUNITY BANK
LOAN TO DEPOSIT RATIO
In thousands

<u>DATE</u>	<u>TOTAL LOANS</u>	<u>TOTAL DEPOSITS</u>	<u>RATIO OF LOAN/DEPOSIT</u>
March 31, 2021	296,391	448,103	66.14%
June 30, 2021	294,609	447,358	65.86%
September 30, 2021	305,112	470,422	64.86%
December 31, 2021	312,917	489,231	63.95%
March 31, 2022	312,845	498,302	62.78%
June 30, 2022	307,754	505,367	60.90%
September 30, 2022	318,104	516,843	61.55%
December 31, 2022	325,870	511,283	63.74%
March 31, 2023	340,026	523,782	64.92%
June 30, 2023	353,934	513,942	68.87%
September 30, 2023	361,885	518,747	69.76%
December 31, 2023	364,391	497,189	73.29%

HMDA Disclosure



Home Mortgage Disclosure Act Notice

The HMDA data about our residential mortgage lending are available online for review. The data shows 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 (www.consumerfinance.gov/hmda).