



PUBLIC DISCLOSURE

June 10, 2024

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

The Malvern National Bank
Charter Number 23202

501 S Main St
Malvern, AR 72104

Office of the Comptroller of the Currency

1401 W. Capitol Ave., Ste 350
Little Rock, AR 72201

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

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Overall CRA Rating

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

The lending test is rated: Satisfactory

The community development test is rated: Outstanding

The major factors that support this rating include:

- The loan-to-deposit (LTD) ratio is reasonable and supported based on market share and bank strategy.
- A substantial majority of loans originated are in the bank's assessment areas (AA).
- The bank exhibits a reasonable distribution of loans to borrowers with different incomes and businesses of different sizes.
- The bank exhibits reasonable geographic distribution of loans to home mortgages and small business loans.
- Community development (CD) activities reflect excellent responsiveness to CD needs within the bank's AAs.

Loan-to-Deposit Ratio

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

The Malvern National Bank (MNB) maintained an average quarterly LTD ratio of 58.8 percent since the previous CRA evaluation. The average LTD ratio decreased from 67.9 percent at the previous CRA evaluation. Compared to three similarly situated institutions (SSIs), MNB's LTD ratio is lower. The three SSIs have an average quarterly LTD ratio of 85.5 percent, and a range of average ratios from 78.1 percent to 97.2 percent. MNB's LTD ratio reflects high competition in the Little Rock-North Little Rock-Conway, AR MSA AA and a higher emphasis on investment activities. MNB's strategic focus places more emphasis on investment activities in the state of Arkansas resulting in lower a LTD ratio when compared to SSIs.

Lending in Assessment Area

A substantial majority of the bank's loans are inside its AAs.

The bank originated and purchased 88.0 percent of its total loans inside the bank's AAs during the evaluation period. This analysis is performed at the bank, rather than the AA, level.

Lending Inside and Outside of the Assessment Area										
Loan Category	Number of Loans				Total #	Dollar Amount of Loans \$(000s)				Total \$(000s)
	Inside		Outside			Inside		Outside		
	#	%	#	%		\$	%	\$	%	
Residential	69	84.1	13	15.9	82	17,371	77.7	4,993	22.3	22,364
Small Business	56	93.3	4	6.7	60	8,795	92.7	695	7.3	9,490
Total	125	88.0	17	12.0	142	26,166	82.1	5,688	17.9	31,854

Description of Institution

MNB is a single-state financial institution headquartered in Malvern, Arkansas. MNB is wholly owned by MNB Bancshares, Inc., also headquartered in Malvern, Arkansas. MNB Bancshares, Inc. is a one bank holding company. There were no mergers or acquisitions within the evaluation period.

MNB has one rating area, the state of Arkansas, with two AAs:

Hot Springs - Malvern, AR CSA AA - The AA consists of the Hot Springs MSA (Garland County) combined with the Malvern micropolitan statistical area encompassing Hot Spring County. The Office of Management and Budget combines adjacent metropolitan and micropolitan statistical areas as CSAs.

Little Rock - North Little Rock - Conway, AR MSA (Saline, Grant, Faulkner, and Pulaski Counties) AA - The AA does not include the census tracts in Pulaski County that are above the Arkansas River. The river is considered a geographic barrier. Excluding census tracts (CTs) in an MSA is allowable if a geographic barrier is present.

MNB operates 12 full-service branches and one limited-service facility. The main office is in Malvern, Arkansas with full-service branches in Benton, Bryant, Conway, Little Rock, Hot Springs, and Sheridan, Arkansas. Automated teller machines (ATMs) and drive-thru facilities are available at some branch locations. The limited-service facility is a detached ATM in Malvern. There were no branch offices opened or closed during the evaluation period.

MNB's primary lending activities are commercial-focused. As of December 31, 2023, the loan portfolio represented 51.8 percent of total assets and consisted of primarily commercial (75.6 percent of total loans) and 1-4 family residential real estate (22.0 percent of total loans) loans. MNB offers a variety of products and services to meet the credit and deposit needs of its AAs.

No legal or financial factors impeded the bank's ability to help meet the credit needs of its AA during the evaluation period.

As of December 31, 2023, the bank reported total assets of \$640.7 million, including gross loans of \$332.1 million and \$253.2 million in investments. Deposits totaled \$533.3 million and tier 1 capital totaled \$60.0 million, or 9.4 percent of average assets. The bank received an overall rating of 'satisfactory' at the last CRA evaluation dated April 19, 2021.

Scope of the Evaluation

Evaluation Period/Products Evaluated

Examiners reviewed the bank's performance using the intermediate small bank examination procedures for CRA. The evaluation period consisted of the full calendar years of 2021, 2022, and 2023. The lending test focused on small business loans and home mortgages. For the year of 2023, examiners used Home Mortgage Disclosure Act (HMDA) reportable data to review residential lending in both AAs. For 2021 and 2022, examiners transaction tested a sample of home mortgage loans in both AAs as the bank was not required to report HMDA data. Examiners sampled small business loans for all three years in both AAs to review lending to small businesses.

Selection of Areas for Full-Scope Review

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

Ratings

The bank's overall rating is a blend of the AA ratings within the state of Arkansas. The Hot Springs-Malvern CSA AA weighs more heavily for overall consideration given the bank has been established significantly longer within the region. In addition, loans to small businesses were given more weight considering the bank's commercial lending focus.

The state rating is based on performance in all bank AAs. Refer to the "Scope" section under the State Rating section for details regarding how the areas were weighted in arriving at the respective ratings.

Discriminatory or Other Illegal Credit Practices Review

Pursuant to 12 CFR 25.28(c) or 195.28(c), respectively, in determining a national bank's or federal savings association's (collectively, bank) CRA rating, the OCC considers evidence of discriminatory or other illegal credit practices in any geography by the bank, or in any AA by an affiliate whose loans have been considered as part of the bank's lending performance. As part of this evaluation process, the OCC consults with other federal agencies with responsibility for compliance with the relevant laws and regulations, including the U.S. Department of Justice, the U.S. Department of Housing and Urban Development, and the Bureau of Consumer Financial Protection, as applicable.

The OCC has not identified that this institution has engaged in discriminatory or other illegal credit practices that require consideration in this evaluation.

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

State Rating

State of Arkansas

CRA rating for the State of Arkansas¹: Satisfactory

The Lending Test is rated: Satisfactory

The Community Development Test is rated: Outstanding

The major factors that support this rating include:

- The distribution of loans to borrowers with different incomes and businesses of different sizes is reasonable throughout the AAs.
- The geographic distribution of home mortgage and small business loans is reasonable throughout the AAs.
- CD activities provide excellent responsiveness to community development needs in the AAs through CD loans, qualified investments, and CD services.

Description of Institution's Operations in Arkansas

MNB operates 12 full-service branches and one limited-service facility within the state of Arkansas. Bank management identified six counties within the state as their assessment area consisting of two AAs – the Hot Springs-Malvern, AR CSA AA and the Little Rock-North Little Rock-Conway, AR MSA AA. The AAs meet the requirement of the regulation and do not arbitrarily exclude low- to moderate-income (LMI) geographies.

The bank was founded in Malvern, AR in 1934 and operated primarily in the Hot Springs-Malvern, AR CSA AA before entering the Little Rock-North Little Rock-Conway, AR MSA AA in 2014. Given the bank's significantly longer history in the Hot Springs-Malvern, AR CSA, depositors are primarily centered in the Hot Springs-Malvern, AR CSA AA at 63.5 percent. The remaining 36.5 percent of deposits are within Little Rock-North Little Rock-Conway, AR MSA AA. As of June 30, 2023, the bank held the fourth largest deposit market share in the Hot Springs-Malvern, AR CSA at \$340.4 million or 10.3 percent of deposit market share. Conversely, MNB held \$196.0 million or 0.6 percent of the deposit market share in the Little Rock-North Little Rock-Conway, AR MSA AA.

The bank's primary lending products are commercial loans and residential real estate. MNB offers mortgage products and sells mortgage loans on the secondary market. Rapid rate increases resulted in lower residential real estate demand throughout the assessment period. Market-rate housing in the bank's AAs is largely centered within Garland County and Saline County. Some census tracts within these AAs have changed from low- and moderate-income tracts to middle- and upper-income tracts as new market-rate housing projects are completed, and population demographics adjust.

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

During the assessment period, MNB reported HMDA data for only 2023 due to changing volume thresholds per the regulation. While lending volumes remained stable for the assessment period, MNB did not qualify as a HMDA reported under the 2020 HMDA rule. As a result, examiners utilized home mortgage samples for the Hot Springs-Malvern, AR CSA AA and the Little Rock-North Little Rock-Conway, AR MSA AA for the years 2021 and 2022.

Community Contacts

The Office of the Comptroller of the Currency held multiple community contact interviews with community development organizations within the bank’s AA. Per the contacts, affordable housing, workforce training, and access to capital for small businesses are the primary needs within the AAs. Community service needs also exist including food insecurity and access to affordable childcare in certain portions of the AA. Affordable housing needs present rehab opportunities. Revitalization and stabilization opportunities are available through redevelopment of brownfields and expansion of broadband availability.

Hot Springs-Malvern, AR CSA

Table A – Demographic Information of the Assessment Area						
Assessment Area: Hot Springs-Malvern, AR CSA AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	39	0.0	25.6	53.8	17.9	2.6
Population by Geography	133,220	0.0	22.1	55.0	21.2	1.7
Housing Units by Geography	65,464	0.0	24.4	55.2	18.7	1.7
Owner-Occupied Units by Geography	37,414	0.0	19.2	57.8	22.5	0.5
Occupied Rental Units by Geography	16,007	0.0	35.0	50.8	10.0	4.2
Vacant Units by Geography	12,043	0.0	26.6	53.1	18.3	2.0
Businesses by Geography	11,618	0.0	28.3	51.9	18.7	1.2
Farms by Geography	438	0.0	19.6	54.8	24.7	0.9
Family Distribution by Income Level	34,578	19.8	17.3	23.4	39.5	0.0
Household Distribution by Income Level	53,421	23.4	15.6	18.0	43.1	0.0
Median Family Income MSA - 26300 Hot Springs, AR MSA		\$60,892	Median Housing Value			\$133,296
Median Family Income Non-MSAs - AR		\$53,702	Median Gross Rent			\$713
			Families Below Poverty Level			11.4%

Source: 2020 U.S. Census and 2023 D&B Data
 Due to rounding, totals may not equal 100.0%
 (*) The NA category consists of geographies that have not been assigned an income classification.

According to 2020 U.S. Census data, the AA consists of 39 CTs, of which 0 are low-income and 10 are moderate-income. There are no distressed or underserved CTs. Both owner-occupied and rental units are primarily located in middle-income tracts.

Assuming a 30-year mortgage with a fixed interest rate of 8 percent, and not accounting for down payment, homeowner’s insurance, real estate taxes, or any additional monthly expenses, a low-income borrower making \$36,250 (or less than 50 percent of the 2023 FFIEC AMFI in the AA) could afford a \$123,473 mortgage with a payment of \$906 per month, based on the HUD affordable standard of 30 percent of gross income. A moderate-income borrower making \$58,000 (or less than 80 percent of the 2023 FFIEC AMFI in the AA) could afford a \$197,611 mortgage with a payment of \$1,450 per month, based on the HUD affordable housing standard of 30 percent of gross income. As such, low-income borrowers would have challenges qualifying for a mortgage loan within the AA based on median housing values. Given the affordability of median gross rent compared to median mortgage payments of \$978, LMI individuals may opt for rental options compared to a mortgage.

Little Rock-North Little Rock-Conway, AR MSA

Table A – Demographic Information of the Assessment Area						
Assessment Area: Little Rock-North Little Rock-Conway, AR MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	170	9.4	20.0	43.5	25.9	1.2
Population by Geography	663,997	7.2	18.9	45.1	28.8	0.1
Housing Units by Geography	292,867	8.2	19.8	44.0	28.1	0.0
Owner-Occupied Units by Geography	162,873	3.9	14.4	47.7	34.0	0.0
Occupied Rental Units by Geography	96,017	13.1	27.3	37.8	21.9	0.0
Vacant Units by Geography	33,977	14.9	24.0	43.4	17.7	0.0
Businesses by Geography	72,752	6.7	18.9	37.6	36.5	0.3
Farms by Geography	2,099	4.2	15.6	43.1	37.0	0.0
Family Distribution by Income Level	161,510	23.0	16.2	19.3	41.5	0.0
Household Distribution by Income Level	258,890	24.6	16.8	16.5	42.1	0.0
Median Family Income MSA - 30780 Little Rock-North Little Rock-Conway, AR MSA		\$72,289	Median Housing Value			\$165,828
			Median Gross Rent			\$856
			Families Below Poverty Level			10.3%

*Source: 2020 U.S. Census and 2023 D&B Data
Due to rounding, totals may not equal 100.0%
(* The NA category consists of geographies that have not been assigned an income classification.*

According to 2020 U.S. Census data, the AA consists of 170 CTs, of which 16 are low-income and 34 are moderate-income. Most owner-occupied units are located within middle- and upper-income tracts, whereas rental units are reasonably available in all tracts. There are no distressed or underserved CTs.

Assuming a 30-year mortgage with a fixed interest rate of 8 percent, and not accounting for down payment, homeowner’s insurance, real estate taxes, or any additional monthly expenses, a low-income borrower making \$41,550 (or less than 50 percent of the 2023 FFIEC AMFI in the AA) could afford a \$141,599 mortgage with a payment of \$1,039 per month, based on the HUD affordable standard of 30 percent of gross income. A moderate-income borrower making \$66,480 (or less than 80 percent of the

2023 FFIEC AMFI in the AA) could afford a \$226,503 mortgage with a payment of \$1,662 per month, based on the HUD affordable housing standard of 30 percent of gross income. As such, low-income borrowers would have challenges qualifying for a mortgage loan within the AA based on median housing values. Given the affordability of median gross rent compared to median mortgage payments of \$1,217, LMI individuals may opt for rental options compared to a mortgage.

Scope of Evaluation in Arkansas

For the state of Arkansas, examiners completed a full-scope review of the two AAs. The AAs were selected for analysis using full-scope procedures. Ratings are based on the results of full-scope areas with weight given towards the Hot Springs-Malvern, AR CSA AA. The Hot Springs-Malvern, AR CSA AA represents most of the bank's deposits at 63.5 percent and deposit market share indicates the bank is important to the AA. While MNB has little deposit market share in the Little Rock-North Little Rock-Conway, AR AA at 0.6 percent, the AA makes up significant portion of the bank's deposit base at 36.5 percent.

For the analysis of distribution of loans to geographies with different income levels, greater consideration was given to the bank's performance in moderate-income geographies given the greater number of CTs and lack of low-income CTs in the bank's primary lending area.

For the borrower distribution analysis, consideration was given to the impact of home affordability for LMI borrowers in higher cost areas when comparing the distribution of home mortgage loans to the demographics.

In performing analysis of loans to small businesses, examiners considered the environment for commercial lending. Within the Little Rock-North Little Rock-Conway, AR MSA, competition is high between interstate banks, large regional banks, and community banks. Competition and high market share from other lenders impact the ability of the bank to make small business loans.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN ARKANSAS

Lending Test

The bank's performance under the Lending Test in Arkansas is rated Satisfactory.

Conclusions for Areas Receiving Full-Scope Reviews

Based on a full-scope review the bank's lending performance in the state of Arkansas is reasonable.

Distribution of Loans by Income Level of the Geography

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

Home Mortgage Loans

Refer to Table O in the state of Arkansas section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations and purchases.

Hot Springs-Malvern, AR CSA

The geographic distribution of the bank's home mortgage lending was reasonable. In 2021, the percentage of mortgage loans in low-income geographies was significantly lower than the percentage of owner-occupied units and aggregate lending. The percentage of mortgage loans in moderate-income geographies exceeds the percentage of owner-occupied units and aggregate lending. From 2022 to 2023, the percentage of mortgage loans in moderate-income geographies was near the percentage of owner-occupied units and aggregate lending.

Little Rock-North Little Rock-Conway, AR MSA

The geographic distribution of the bank's home mortgage lending was reasonable. In 2021, the percentage of mortgage loans in low-income geographies was significantly lower than the percentage of owner-occupied units and aggregate lending. The percentage of mortgage loans in moderate-income geographies is somewhat lower than the percentage of owner-occupied units and near aggregate lending. From 2022 to 2023, the percentage of mortgage loans in low-income geographies was near the percentage of owner-occupied units and aggregate lending. The percentage of mortgage loans in moderate-income geographies was near the percentage of owner-occupied units and exceeded aggregate lending.

Small Loans to Businesses

Refer to Table Q in the state of Arkansas section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's originations and purchases of small loans to businesses.

Hot Springs-Malvern, AR CSA

The bank's borrower distribution of small loans to businesses during the evaluation period is reasonable. In 2021, the percentage of small loans to businesses in low-income geographies was significantly lower than the percentage of businesses and aggregate lending. The percentage of small loans to businesses in moderate-income geographies exceeds the percentage of businesses and aggregate lending. From 2022 to 2023, the percentage of small loans to businesses in moderate geographies was lower than the percentage of businesses and aggregate lending.

Little Rock-North Little Rock-Conway, AR MSA

The bank's borrower distribution of small loans to businesses during the evaluation period is reasonable. In 2021, the percentage of small loans to businesses in low-income geographies was significantly lower than the percentage of businesses and aggregate lending. The percentage of small loans to businesses in moderate-income geographies was lower than the percentage of businesses and somewhat lower than the aggregate lending. From 2022 to 2023, the percentage of small loans to businesses in low-income geographies was lower than the percentage of businesses and aggregate lending. The percentage of small loans to businesses in moderate-income geographies was somewhat lower than the percentage of businesses and aggregate lending.

Distribution of Loans by Income Level of the Borrower

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

Home Mortgage Loans

Refer to Table P in the state of Arkansas section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

Hot Springs-Malvern, AR CSA

The bank's borrower distribution of home mortgage loans during the evaluation period is reasonable. In 2021, the percentage of mortgage loans to low-income borrowers was significantly lower than the percentage of low-income families and aggregate lending. The percentage of mortgage loans to moderate-income borrowers exceeds the percentage of moderate-income families and aggregate lending. From 2022 to 2023, the percentage of mortgage loans to low-income borrowers was significantly lower than the percentage of low-income families and aggregate lending. The percentage of mortgage loans to moderate-income borrowers was lower than the percentage of low-income families and aggregate lending.

Little Rock-North Little Rock-Conway, AR MSA

The bank's borrower distribution of home mortgage loans during the evaluation period is reasonable. In 2021, the percentage of mortgage loans to low-income borrowers was somewhat lower than the percentage of low-income families and exceeds aggregate lending. The percentage of mortgage loans to moderate-income borrowers was lower than the percentage of moderate-income families and aggregate lending. From 2022 to 2023, the percentage of mortgage loans to low-income borrowers was lower than the percentage of low-income families and aggregate lending. The percentage of mortgage loans to moderate-income borrowers was near to the percentage of low-income families and aggregate lending.

Small Loans to Businesses

Refer to Table R in the state of Arkansas section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's originations and purchases of small loans to businesses.

Hot Springs-Malvern, AR CSA

The distribution of small loans to businesses of different sizes was reasonable. In 2021, the percentage of small loans to businesses with revenues less than \$1 million was somewhat lower than the percentage of businesses and exceeded aggregate lending. From 2022 to 2023, the percentage of small loans to businesses with revenues less than \$1 million was somewhat lower than the percentage of businesses and exceeded aggregate lending.

Little Rock-North Little Rock-Conway, AR MSA

The distribution of small loans to businesses of different sizes was reasonable. In 2021, the percentage of small loans to businesses with revenues less than \$1 million was somewhat lower than the percentage of businesses and exceeded aggregate lending. From 2022 to 2023, the percentage of small loans to businesses with revenues less than \$1 million was somewhat lower than the percentage of businesses and exceeded aggregate lending.

Responses to Complaints

MNB has an appropriate process for receiving, responding, and tracking CRA-related customer complaints. The OCC did not receive any CRA-related complaints during the evaluation period.

Community Development Test

The bank's performance under the Community Development Test in the state of Arkansas is rated Outstanding.

Conclusions for Areas Receiving Full-Scope Reviews

Based on a full-scope review the bank exhibits excellent responsiveness to community development needs in the state through community development loans, qualified investments, and community development services, as appropriate, considering the bank's capacity and the need and availability of such opportunities for community development in the bank's assessment area(s).

Number and Amount of Community Development Loans

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

Community Development Loans				
Assessment Area	Total			
	#	% of Total #	\$(000's)	% of Total \$
Hot Springs-Malvern, AR CSA AA	2	25.0	4,140	19.5
Little Rock-North Little Rock-Conway, AR MSA AA	6	75.0	17,088	80.5

The bank demonstrates excellent responsiveness to CD needs through loan originations.

Hot Springs-Malvern, AR CSA

The bank originated two loans totaling \$4.1 million representing 10.7 percent of allocated tier 1 capital. Community development loans were entirely within moderate-income census tracts. Community development lending within the CSA focused on economic development through job creation for wages less than 80 percent of the AA's median income. Economic development loans resulted in the creation of 34 jobs within the AA.

Little Rock-North Little Rock-Conway, AR MSA

The bank originated six loans totaling \$17.1 million representing 76.6 percent of allocated tier 1 capital. Community development loans were primarily within moderate-income census tracts. Community development lending within the MSA focused on economic development and affordable housing. Economic development loans resulted in the creation of 284 jobs with wages less than 80 percent of the AA's median income. Affordable housing loans resulted in the creation of 104 affordable rental units with rental rates below fair market value rates.

Additionally, the bank made two loans benefiting areas outside of their AA within the state totaling \$4.7 million. These loans provided economic development and provided 23 jobs with wages less than 80 percent of the median income. Community development loans outside of the AA included loans within underserved and distressed CTs.

Number and Amount of Qualified Investments

Assessment Area	Qualified Investments								Unfunded Commitments*	
	Prior Period*		Current Period		Total				#	\$(000's)
	#	\$(000's)	#	\$(000's)	#	% of Total #	\$(000's)	% of Total \$	#	\$(000's)
Hot Springs-Malvern, AR CSA AA	8	2,190	90	1,324	98	70.0	3,514	43.7	-	-
Little Rock-North Little Rock-Conway, AR MSA AA	2	3,606	40	921	42	30.0	4,527	56.3	-	-

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

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

The bank demonstrates excellent responsiveness to CD needs through qualified investment activities within the state of Arkansas.

Hot Springs-Malvern, AR CSA

Qualified investments in the AA during the evaluation period total \$3.5 million and consist of donations to CD organizations and investment purchases for school districts with most students qualifying for free- or reduced-price lunch programs. Prior period investments total \$2.2 million and consist of outstanding school district bonds where most students qualify for free or reduced-price lunch programs. The bank's total investment amount represented approximately 9.1 percent of allocated tier 1 capital.

Little Rock-North Little Rock-Conway, AR MSA

Qualified investments in the AA during the evaluation period total \$4.5 million and consist of donations to CD organizations and investment purchases for school districts with most students qualifying for free- or reduced-price lunch programs. Prior period investments total \$3.6 million and consist of outstanding school district bonds where most students qualify for free or reduced-price lunch programs. The bank's total investment amount represented approximately 9.1 percent of allocated tier 1 capital.

In addition to investments within the AA, the bank maintains prior period investments in five low-income housing developments across the state of Arkansas. As of December 31, 2023, these investments total \$6.9 million.

Extent to Which the Bank Provides Community Development Services

The bank demonstrates excellent responsiveness to community development needs through services.

Hot Springs-Malvern, AR CSA

Community development services within the AA totaled 524 hours across 74 services. Notable services include assistance with economic development initiatives within the AA, assistance with access to healthcare, and services benefiting families that qualify for free- or reduced-price lunch programs. In addition, bank officers and employees provide technical and financial assistance via serving on boards and committees in organizations with express purposes of benefiting LMI individuals.

Little Rock-North Little Rock-Conway, AR MSA

Community development services within the AA totaled 538 hours across 22 services. Notable services include assistance with access to healthcare and services benefiting families that qualify for free- or reduced-price lunch programs. In addition, bank officers and employees provide technical and financial assistance via serving on boards and committees in organizations with operating within areas that benefit a majority of LMI individuals.

Appendix A: Scope of Examination

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

Time Period Reviewed:	01/01/2021 to 12/31/2023	
Bank Products Reviewed:	Home mortgage and small business Community development loans, qualified investments, community development services	
List of Assessment Areas and Type of Examination		
Rating and Assessment Areas	Type of Exam	Other Information
Arkansas		
Hot Springs-Malvern, AR CSA	Full-scope	
Little Rock-North Little Rock-Conway, AR MSA	Full-scope	

Appendix B: Summary of MMSA and State Ratings

RATINGS Malvern National Bank			
Overall Bank:	Lending Test Rating*	CD Test Rating	Overall Bank/State/Multistate Rating
Malvern National Bank	Satisfactory	Outstanding	Satisfactory
MMSA or State:			
Arkansas	Satisfactory	Outstanding	Satisfactory

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

Appendix C: Definitions and Common Abbreviations

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

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

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

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

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

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

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

Consumer Loan(s): A loan(s) to one or more individuals for household, family, or other personal expenditures. A consumer loan does not include a home mortgage, small business, or small farm loan. This definition includes the following categories: motor vehicle loans, credit card loans, other secured consumer loans, and other unsecured consumer loans.

Family: Includes a householder and one or more other persons living in the same household who are related to the householder by birth, marriage, or adoption. The number of family households always equals the number of families; however, a family household may also include non-relatives living with the family. Families are classified by type as either a married-couple family or other family, which is further classified into 'male householder' (a family with a male householder and no wife present) or 'female householder' (a family with a female householder and no husband present).

Full-Scope Review: Performance under the Lending, Investment, and Service Tests is analyzed considering performance context, quantitative factors (e.g., geographic distribution, borrower distribution, and total number and dollar amount of investments), and qualitative factors (e.g., innovativeness, complexity, and responsiveness).

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

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

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

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

Limited-Scope Review: Performance under the Lending, Investment, and Service Tests is analyzed using only quantitative factors (e.g., geographic distribution, borrower distribution, total number and dollar amount of investments, and branch distribution).

Low-Income Individual: Individual income that is less than 50 percent of the area median income.

Low Income Geography: A census tract with a median family income that is less than 50 percent.

Market Share: The number of loans originated and purchased by the institution as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the state/assessment area.

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

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

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

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

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

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

Owner-Occupied Units: Includes units occupied by the owner or co-owner, even if the unit has not been fully paid for or is mortgaged.

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

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

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

Small Loan(s) to Farm(s): A loan included in 'loans to small farms' as defined in the instructions for preparation of the Consolidated Report of Condition and Income (Call Report). These loans have original amounts of \$500,000 or less and are either secured by farmland, or are classified as loans to finance agricultural production and other loans to farmers.

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

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

Appendix D: Tables of Performance Data

Content of Standardized Tables

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

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

Table O. Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography - Compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of owner-occupied housing units throughout those geographies. The table also presents aggregate peer data for the years the data is available.

Table P. Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower - Compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage distribution of families by income level in each MMSA/assessment area. The table also presents aggregate peer data for the years the data is available.

Table Q. Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography - The percentage distribution of the number of small loans (less than or equal to \$1 million) to businesses that were originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of businesses (regardless of revenue size) in those geographies. Because aggregate small business data are not available for geographic areas smaller than counties, it may be necessary to compare bank loan data to aggregate data from geographic areas larger than the bank’s assessment area.

Table R. Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenue - Compares the percentage distribution of the number of small loans (loans less than or equal to \$1 million) originated and purchased by the bank to businesses with revenues of \$1 million or less to: 1) the percentage distribution of businesses with revenues of greater than \$1 million; and, 2) the percentage distribution of businesses for which revenues are not available. The table also presents aggregate peer small business data for the years the data is available.

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

- Table S. Assessment Area Distribution of Loans to Farms by Income Category of the Geography** - The percentage distribution of the number of small loans (less than or equal to \$500,000) to farms originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of farms (regardless of revenue size) throughout those geographies. The table also presents aggregate peer data for the years the data is available. Because aggregate small farm data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank's assessment area.
- Table T. Assessment Area Distribution of Loans to Farms by Gross Annual Revenues** - Compares the percentage distribution of the number of small loans (loans less than or equal to \$500 thousand) originated and purchased by the bank to farms with revenues of \$1 million or less to: 1) the percentage distribution of farms with revenues of greater than \$1 million; and, 2) the percentage distribution of farms for which revenues are not available. The table also presents aggregate peer small farm data for the years the data is available.
- Table U. Assessment Area Distribution of Consumer Loans by Income Category of the Geography** - Compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of households in those geographies.
- Table V. Assessment Area Distribution of Consumer Loans by Income Category of the Borrower** - Compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage distribution of households by income level in each MMSA/assessment area.

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

Table O: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography **2021**

Assessment Area:	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$ (000s)	% of Total	Overall Market	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate
Hot Springs-Malvern, AR CSA AA	20	5,090	52.6	5,617	2.6	0.0	2.4	14.6	15.0	10.1	50.1	35.0	46.7	32.7	50.0	40.8	0.0	0.0	0.0
Little Rock-North Little Rock-Conway, AR MSA AA	18	5,556	47.4	33,815	2.8	0.0	1.5	17.2	11.1	11.6	41.5	55.6	40.0	38.2	33.3	46.8	0.3	0.0	0.2
Total	38	10,646	100.0	39,432	2.7	0.0	1.6	16.7	13.2	11.4	43.1	44.7	40.9	37.2	42.1	45.9	0.2	0.0	0.1

Source: 2015 ACS: 01/01/2021 - 12/31/2021 Bank Data, 2021 HMDA Aggregate Data, "--" data not available.
 Due to rounding, totals may not equal 100.0%

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

Table O: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography **2022-23**

Assessment Area:	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$ (000s)	% of Total	Overall Market	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate
Malvern NB - Hot Springs 2023	35	7,209	48.6	3,764	0.0	0.0	0.0	19.2	17.1	21.2	57.8	40.0	54.2	22.5	42.9	24.4	0.5	0.0	0.2
Malvern NB - Little Rock 2023	37	6,929	51.4	21,734	3.9	2.7	3.9	14.4	13.5	12.0	47.7	67.6	49.6	34.0	16.2	34.6	0.0	0.0	0.0
Total	72	14,138	100.0	25,498	3.1	1.4	3.3	15.3	15.3	13.4	49.6	54.2	50.2	31.8	29.2	33.1	0.1	0.0	0.0

Source: 2020 U.S. Census; 01/01/2022 - 12/31/2023 Bank Data, 2022 HMDA Aggregate Data, "--" data not available.
 Due to rounding, totals may not equal 100.0%

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

Table P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower **2021**

Assessment Area:	Total Home Mortgage Loans				Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers		
	#	\$ (000s)	% of Total	Overall Market	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate
Malvern - Hot Springs 2021	20	5,090	52.6	5,617	22.5	0.0	5.3	16.7	20.0	14.7	19.7	20.0	17.9	41.1	60.0	40.0	0.0	0.0	22.1
Malvern - Little Rock 2021	18	5,556	47.4	33,815	21.7	11.1	5.2	17.4	5.6	15.2	19.4	22.2	17.8	41.6	61.1	35.1	0.0	0.0	26.7
Total	38	10,646	100.0	39,432	21.8	5.3	5.2	17.3	13.2	15.1	19.4	21.1	17.8	41.5	60.5	35.8	0.0	0.0	26.1

Source: 2015 ACS; 01/01/2021 - 12/31/2021 Bank Data, 2021 HMDA Aggregate Data, "--" data not available.
 Due to rounding, totals may not equal 100.0%

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

Table P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower **2022-23**

Assessment Area:	Total Home Mortgage Loans				Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers		
	#	\$	% of Total	Overall Market	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate
Malvern NB - Hot Springs 2023	35	7,209	48.6	3,764	19.8	0.0	5.0	17.3	5.7	13.4	23.4	14.3	18.8	39.5	71.4	43.8	0.0	8.6	18.9
Malvern NB - Little Rock 2023	37	6,929	51.4	21,734	23.0	2.7	6.4	16.2	13.5	17.5	19.3	16.2	19.1	41.5	45.9	34.1	0.0	21.6	22.9
Total	72	14,138	100.0	25,498	22.4	1.4	6.2	16.4	9.7	16.9	20.0	15.3	19.0	41.2	58.3	35.6	0.0	15.3	22.3

Source: 2020 U.S. Census; 01/01/2022 - 12/31/2023 Bank Data, 2022 HMDA Aggregate Data, "--" data not available.
 Due to rounding, totals may not equal 100.0%

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

Table Q: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography **2021**

Assessment Area:	Total Loans to Small Businesses				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$ (000s)	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate
Malvern - Hot Springs 2021	20	3,061	50.0	3,463	5.5	0.0	4.0	21.5	25.0	20.3	44.5	45.0	45.9	28.5	30.0	29.8	0.0	0.0	0.0
Malvern - Little Rock 2021	20	1,797	50.0	17,260	5.3	0.0	5.0	20.6	10.0	19.0	30.5	65.0	31.1	43.4	25.0	44.7	0.2	0.0	0.2
Total	40	4,858	100.0	20,723	5.3	0.0	4.8	20.7	17.5	19.2	32.5	55.0	33.6	41.3	27.5	42.2	0.2	0.0	0.1

Source: 2021 D&B Data: 01/01/2021 - 12/31/2021 Bank Data: 2021 CRA Aggregate Data, "--" data not available.
 Due to rounding, totals may not equal 100.0%

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

Table Q: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography																			2022-23	
Assessment Area:	Total Loans to Small Businesses				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts			
	#	\$ (000s)	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	
Malvern NB - Hot Springs 2023	40	6,824	50.0	3,392	0.0	0.0	0.0	28.3	7.5	26.6	51.9	52.5	52.9	18.7	40.0	19.0	1.2	0.0	1.5	
Malvern NB - Little Rock 2023	40	5,405	50.0	16,554	6.7	2.5	6.6	18.9	10.0	17.8	37.6	62.5	40.3	36.5	25.0	35.2	0.3	0.0	0.1	
Total	80	12,229	100.0	19,946	5.8	1.3	5.5	20.1	8.8	19.3	39.6	57.5	42.4	34.0	32.5	32.5	0.5	0.0	0.3	
<i>Source: 2023 D&B Data: 01/01/2022 - 12/31/2023 Bank Data; 2022 CRA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%</i>																				

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

Table R: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues											2021	
Assessment Area:	Total Loans to Small Businesses				Businesses with Revenues <= 1MM			Businesses with Revenues > 1MM		Businesses with Revenues Not Available		
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans	
Malvern - Hot Springs 2021	20	3,061	50.0	3,463	83.3	65.0	42.2	4.5	35.0	12.1	0.0	
Malvern - Little Rock 2021	20	1,797	50.0	17,260	82.5	45.0	41.7	5.5	55.0	12.0	0.0	
Total	40	4,858	100.0	20,723	82.6	55.0	41.7	5.4	45.0	12.0	0.0	
<i>Source: 2021 D&B Data; 01/01/2021 - 12/31/2021 Bank Data; 2021 CRA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%</i>												

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

Table R: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues **2022-23**

Assessment Area:	Total Loans to Small Businesses				Businesses with Revenues <= 1MM			Businesses with Revenues > 1MM		Businesses with Revenues Not Available	
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans
Malvern NB - Hot Springs 2023	40	6,824	50.0	3,392	86.4	52.5	52.4	3.2	47.5	10.5	0.0
Malvern NB - Little Rock 2023	40	5,405	50.0	16,554	86.3	55.0	52.0	3.6	45.0	10.1	0.0
Total	80	12,229	100.0	19,946	86.3	53.8	52.0	3.5	46.3	10.2	0.0

Source: 2023 D&B Data: 01/01/2022 - 12/31/2023 Bank Data; 2022 CRA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%

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

Listing of MNB's branches:

Benton

1111 Military Rd.
Benton, AR 72015
(501) 778-5000 (voice)
(501) 778-3003 (fax)
Tract: 0101.01 Middle

Lobby Hours:

8:00am - 5:00pm
Monday - Friday

Drive-In Hours:

8:00am - 5:00pm
Monday - Thursday
8:00am - 5:30pm
Friday
9:00am - 12:00pm
Saturday
ATM Available

Bryant

4430 Highway 5 North
Bryant, AR 72022
(501) 653-0433 (voice)
(501) 653-0213 (fax)
Tract: 0105.01 Upper

Lobby Hours:

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

Drive-In Hours:

8:30am - 5:00pm
Monday - Thursday
8:30am - 5:30pm
Friday
9:00am - 12:00pm
Saturday
ATM Available

Hot Springs

548 West Grand Avenue
Hot Springs, AR 71901
(501) 622-6600 (voice)
(501) 622-6620 (fax)
Tract: 0108.00 Middle

Lobby Hours:

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

Drive-In Hours:

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

Hot Springs

1010 Airport Road
Hot Springs, AR 71913
(501) 760-6600 (voice)
(501) 760-6777 (fax)
Tract: 0109.00 Moderate

Lobby Hours:

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

Drive-In Hours:

8:00am - 5:00pm
Monday - Thursday
8:00am - 5:30pm
Friday
Closed Saturday
ATM Available

Hot Springs

321 Section Line Rd., Suite A
Hot Springs, AR 71913
(501) 627-9000 (voice)
(501) 627-0822 (fax)
Tract: 0118.00 Middle

Lobby Hours:

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

Drive-In Hours:

8:00am - 5:00pm
Monday - Thursday
8:00am - 5:30pm
Friday
9:00am - 12:00pm
Saturday
ATM Available

Malvern

One Money Place
 Malvern, AR 72104
 (501) 332-6955 (voice)
 (501) 332-8086 (fax)
 Tract: 0204.00 Moderate
ATM Available

Lobby Hours:

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

Malvern

1884 Martin Luther King
 Blvd.
 Malvern, AR 72104
 (501) 467-8284 (voice)
 (501) 332-5256 (fax)
 Tract: 0202.00 Moderate

Lobby Hours:

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

Drive-In Hours:

8:00am - 5:00pm
 Monday - Friday
 9:00am - 12:00pm
 Saturday
ATM Available

Malvern

503 Ash Street
 Malvern, AR 72104
 (501) 332-8062 (voice)
 (501) 332-5306 (fax)
 Tract: 0204.00 Moderate

Drive-In Hours:

8:00am - 5:00pm
 Monday - Friday
 9:00am - 12:00pm
 Saturday

Sheridan

207 North Oak Street
 Sheridan, AR 72150

(870) 942-5191 (voice)
 (870) 942-5194 (fax)

Lobby Hours:

8:30am - 4:30pm
 Monday - Thursday

8:30am - 5:00pm
 Friday

Drive-In Hours:

8:00am - 5:00pm
 Monday - Thursday
 8:00am-5:30pm
 Friday
 9:00am - 12:00pm
 Saturday
 Tract: 4704.00 Middle
ATM Available

East End

20523 Arch Street
 Little Rock, AR 72206
 (501) 888-6778 (voice)
 (501) 888-6086 (fax)
 Tract: 0104.06 Moderate

Lobby Hours:

8:30am - 4:00pm
 Monday - Friday

Drive-In Hours:

8:30am - 5:00pm
 Monday - Thursday
 8:30am - 5:30pm
 Friday
 Closed Saturday
ATM Available

Little Rock

1818 North Taylor St.
 Little Rock, AR 72206

Lobby Hours:

8:00am - 5:00pm
 Monday - Friday

Drive-In Hours:

8:00am - 5:00pm
 Monday - Friday

(501) 501-661-8229 (voice)
(501) 501-664-0737 (fax)
Tract: 0016.00 Upper

Little Rock
10700 Bass Pro Parkway
Little Rock, AR 72210
Phone # 501-455-4707
Fax # 501-455-4541
Tract: 0041.03 Low

Lobby Hours:
8:00am - 5:00pm
Monday – Friday
Closed Saturday

Drive-In Hours:
8:00am -5:00pm
Monday – Thursday
8:00am -5:30pm
Friday
Closed Saturday
ATM Available

Conway
1025 Markham
Conway, AR 72034
Phone: (501) 504-2164
Fax # 501-504-2186
Tract: 0307.01 Moderate
Opened 11/02/2015

Lobby Hours:
8:30am - 5:00pm
Monday – Friday

Drive-In Hours:
8:30am - 5:00pm
Monday – Friday
Closed Saturday
ATM Available

Branches opened and closed 2019-2023

None

Malvern National Bank

Products and Services

Deposit Products:

- Checking Accounts
- Savings Accounts
- Certificates of Deposit
- Individual Retirement Accounts (IRAs)

Loan Products:

- Consumer Loans
- Commercial Loans
- Residential Real Estate Loans

Services:

- Automated Clearing House (ACH)
- Remote Deposit Capture
- Wires
- Online Banking
- Automated Teller Machine (ATM)
- Debit Card
- Telephone Banking
- Overdraft Protection
- Safe Deposit Boxes
- Bill Pay
- Cash Management
- P2P

Consumer Additional Fee Disclosure

Demand Deposit Account (DDA) & Savings Account

Nonpayment of item for which your account had insufficient funds (NSF) available	\$34.00 per presentment
Payment of item for which your account had insufficient funds available (i.e., an overdraft)	\$34.00 per presentment
Request for check stop payment, hold, or ACH stop payment	\$34.00 per stop/hold order
Dynamic Transfer	\$ 6.00 per transfer
Phone Transfer performed by Customer Service (IVR transfer Free)	\$ 2.00 per transfer
Dormant Fee (180 days of inactivity for DDA & 365 days for Savings)	\$ 5.00 per cycle per Dormant Account
Returned Mail	\$ 10.00 per returned item

Electronic Banking

Internet Bill Payment - after payment limit (Free Value, Classic, Take 2 checking - 5 per cycle free) (Benefit, Total, Money Market Checking - 15 per cycle free)	\$.50 per payment after limit
Mobile Deposit through Mobile Banking	\$.50 per deposited check

Wire Transfers

Customer Incoming Wire	\$10.00 per transfer
Customer Outgoing Wire	\$25.00 per transfer
International Incoming & International Outgoing Wire	\$50.00 per transfer

Debit Card/ATM Services

Replacement Debit Card	\$15.00 per card
Non-MNB ATM use of card	\$ 2.00 per use + machine charge
Debit Card PIN reminder	\$ 2.00 per reminder

Account Research/Statement Services

Research request	\$25.00 per hour (1 hr min)
Statement Copy	\$ 3.95 per statement
Account Printout (activity since last statement only)	\$ 3.95 per print out
Copy of check or deposit slip (includes front and back)	\$ 1.00 per item
Consumer Single Month Statement on CD-ROM	\$ 5.00 per month requested
Consumer Year End Statement on CD-ROM	\$25.00 per year requested
Business Single Month Statement on CD-ROM	\$15.00 per month requested
Business Year End Statement on CD-ROM	\$100.00 per year requested

Checks

Account Checks available for order with CSR	Pricing avail upon request
Counter Checks	\$ 2.00 sheet of four
Cashier's Check	\$ 7.00 per check

Miscellaneous

Notary Service	\$ 5.00 per document
Paper Copies (Customers only – up to 5 pages free)	\$ 0 .15 per page
Gift Cards	\$ 3.95 each
Garnishment/Tax Levy	\$75.00 per garnishment/levy
External Automatic Transfer	\$ 2.00 per transfer

Free Biz Checking Additional Fee Disclosure

Transaction Item Fees

First 300 items free. Items OVER 300 (includes: checks/debits, each deposit, each deposited item, ACH debits/credits, ATM or POS debits/credits, or any other type of transaction)	\$.40 per item
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Checking Account-General

Nonpayment of item for which your account had insufficient funds (NSF) available	\$34.00 per presentment
Payment of item for which your account had insufficient funds available (i.e., an overdraft – OD Fee)	\$34.00 per presentment
Request for check stop payment, hold, or ACH stop payment	\$34.00 per stop/hold order
Dynamic Transfer	\$ 6.00 per transfer
Phone Transfer performed by Customer Service (IVR transfer Free)	\$ 2.00 per transfer
Dormant Fee (180 days of inactivity for DDA & 365 days for Savings)	\$ 5.00 per cycle per Dormant Account
Returned Mail	\$ 10.00 per returned item

Electronic Banking

Internet Bill Payment (up to 5 per month free)	\$ 0.50 per payment after limit
Mobile Deposits thru Mobile Banking	\$ 0.50 per deposited check

Wire Transfers

Customer Incoming Wire	\$ 10.00 per transfer
Customer Outgoing Wire	\$ 25.00 per transfer
International Incoming & International Outgoing Wire	\$ 50.00 per transfer

Debit Card/ATM Services

Replacement Debit Card	\$15.00 per card
Non-MNB ATM use of card	\$ 2.00 per use + machine charge
Debit Card PIN reminder	\$ 2.00 per reminder

Account Research/Statement Services

Research Request	\$25.00 per hour (1 hr min)
Statement Copy	\$ 3.95 per statement
Account Printout (activity since last statement only)	\$ 3.95 per printout
Copy of Check or Deposit slip includes both sides	\$ 1.00 per item
Business Single Month Statement on CD-ROM	\$15.00 per month requested
Business Year End Statement on CD-ROM	\$100.00 per year requested

Checks

Account checks available for order with Customer Service Representative	Pricing avail upon request
Counter checks	\$ 2.00 per sheet of 4
Cashier's Check	\$ 7.00 per check

Miscellaneous

Notary Service	\$ 5.00 per document
Paper Copies (Customer only – up to 5 free)	\$ 0.15 per page
Garnishment/Tax Levy	\$75.00 per garnishment/levy
Gift Cards	\$ 3.95 per card
Change Order over \$500	\$10.00 per change order
External Automatic Transfer	\$ 2.00 per transfer

Smart Biz Checking Fee Schedule

Checking Account-General

Nonpayment of item for which your account had insufficient funds (NSF) available	\$34.00 per presentment
Payment of item for which your account had insufficient funds available (i.e., an overdraft – OD Fee)	\$34.00 per presentment
Request for check stop payment, hold, or ACH stop payment	\$34.00 per stop/hold order
Dynamic Transfer	\$ 6.00 per transfer
Phone Transfer performed by Customer Service (IVR transfer Free)	\$ 2.00 per transfer
Dormant Fee (180 days of inactivity for DDA & 365 days for Savings)	\$ 5.00 per cycle per Dormant Account
Returned Mail	\$10.00 per returned item

Electronic Banking

Internet Bill Payment (up to 15 per month free)	\$ 0.50 per payment after limit
Mobile Deposits thru Mobile Banking	\$ 0.50 per deposited check

Wire Transfers

Customer Incoming Wire	\$ 10.00 per transfer
Customer Outgoing Wire	\$ 25.00 per transfer
International Incoming & International Outgoing Wire	\$ 50.00 per transfer

Debit Card/ATM Services

Replacement Debit Card	\$15.00 per card
Non-MNB ATM use of card	\$ 2.00 per use + machine charge
Debit Card PIN reminder	\$ 2.00 per reminder

Account Research/Statement Services

Research Request	\$25.00 per hour (1 hr min)
Statement Copy	\$ 3.95 per statement
Account Printout (activity since last statement only)	\$ 3.95 per printout
Copy of Check or Deposit Slip includes both sides	\$ 1.00 per item
Business Single Month Statement on CD-ROM	\$15.00 per month requested
Business Year End Statement on CD-ROM	\$100.00 per year requested

Checks

Account checks available for order with Customer Service Representative	Pricing avail upon request
Counter checks	\$ 2.00 per sheet of 4
Cashier's Check	\$ 7.00 per check

Miscellaneous

Notary Service	\$ 5.00 per document
Paper Copies (Customer only – up to 5 free)	\$ 0.15 per page
Garnishment/Tax Levy	\$75.00 per garnishment/levy
Gift Cards	\$ 3.95 per card
Change Order over \$500	\$10.00 per change order
External Automatic Transfer	\$ 2.00 per transfer

Smart Biz Checking Fee Schedule

An earnings allowance lets you earn credit, based on the monthly average collected balance. These earnings may offset some activity charges on the account. Earnings allowance will not be applied toward the monthly account maintenance fee. A Malvern National Bank Customer Service Representative can provide the current earnings allowance rate.

This is an account analysis checking account. Any charges appearing on a statement will be for the prior statement activity.

Basic Account Analysis (charged to all accounts)

Analysis Monthly Fee (Earnings Allowance does not apply to this fee)	\$10.00 per cycle
Checks/Debits	\$ 0.10 each
Deposits	\$ 0.10 each
Deposited Items	\$ 0.06 each
Electronic Items such as ACH debits/credits, ATM/Debit Card debits/credits, ATS debits/credits, telephone transfers made through the Interactive Voice Response (IVR), OLB Transfer	\$ 0.05 each

Treasury Management Services (Add On Services)

ACH Services

ACH Cash Management Fee	\$25.00 per cycle
File Transmission	\$ 2.00 per file
Originated ACH Debit or Credit	\$ 0.05 each

Wire Services

Wire Transfer Monthly Fee	\$25.00 per cycle
Customer Incoming Wire	\$10.00 per transfer
Customer Outgoing Wire	\$25.00 per transfer
International Incoming & Outgoing Wire	\$50.00 per transfer

Positive Pay Services

Positive Pay Monthly Fee	\$25.00 per cycle
File Transmission	\$ 2.00 per file

Remote Deposit Capture (RDC) Services

Remote Deposit Monthly Fee	\$25.00 per cycle
RDC Additional Account	\$10.00 per cycle
RDC Deposited Items	\$ 0.03 each

One Time Set Up Fees (Earnings Allowance does not apply)

ACH set up	\$20.00
Wire set up	\$20.00
Positive Pay set up	\$20.00
Sweep set up	\$20.00
RDC Set Up (includes small machine/customer responsible for machine maintenance)	\$300.00
RDC On-Site visit upon request	\$75.00 per visit

Garland County
Census Tract
103
104
105
106
107
108
109
110
111
112
113
114
115
116.01
116.02
117
118
119
120.01
120.02

Grant County
Census Tract
4701
4702
4703
4704

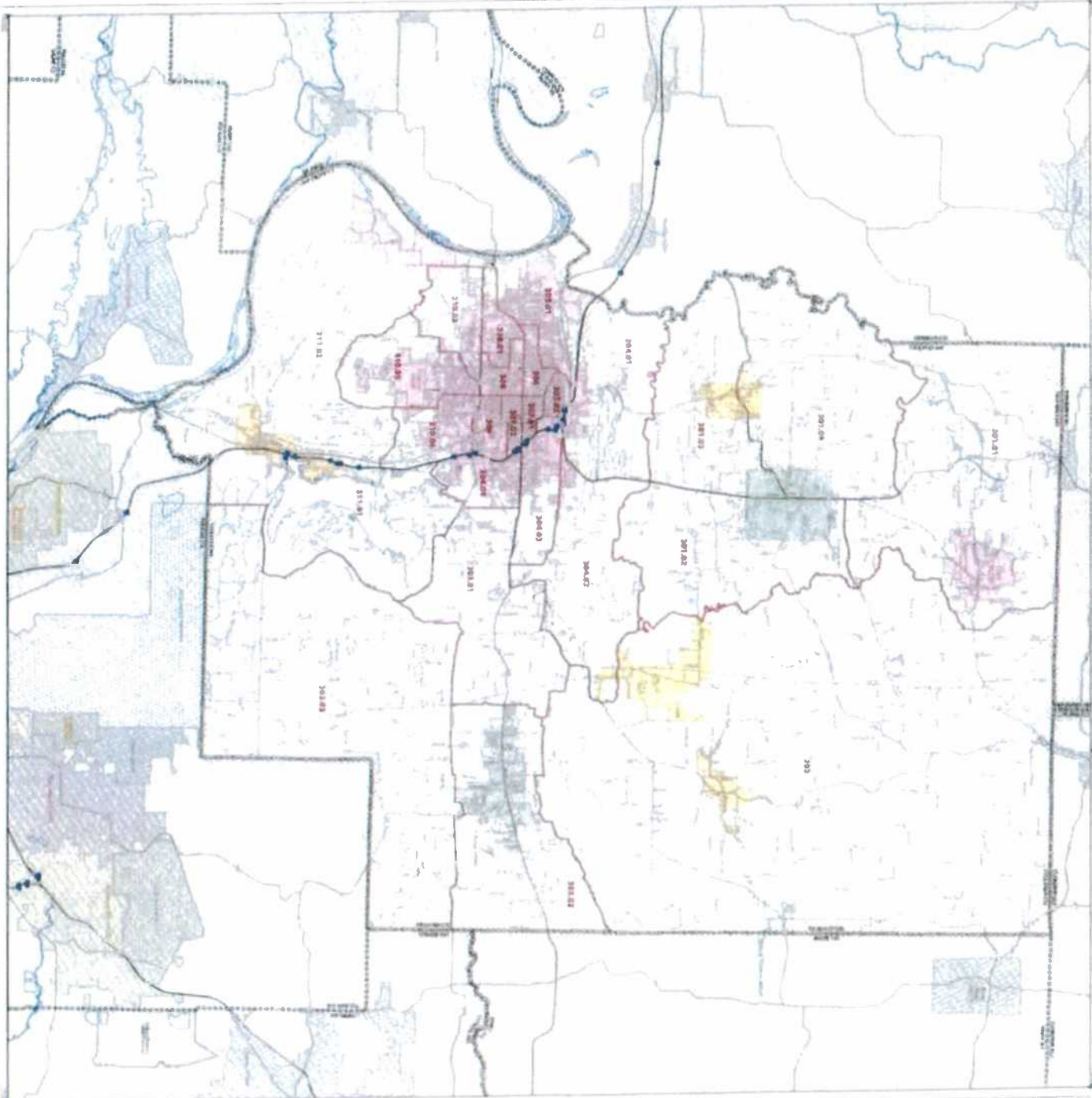
Saline County
Census Tract
101.01
101.02
101.03
103.01
103.02
103.03
104.04
104.05
104.06
104.07
104.08
104.09
105.03
105.06
105.07
105.08
105.09
105.1
105.11
105.12
106

Hot Spring County
Census Tract
201
202
203
204
205
206
207

Pulaski County	
Census Tract	Census Tract
2	40.06
5	40.07
11	41.03
12	41.04
13	41.05
15.01	41.06
15.02	41.07
16	41.08
18	42.01
19	42.02
20.01	42.05
20.02	42.07
21.02	42.12
21.03	42.13
21.04	42.14
22.03	42.15
22.04	42.16
22.06	42.18
22.08	42.19
22.09	42.2
24.03	42.21
24.05	44
24.06	45
24.07	46
24.08	47
40.01	48
40.04	49

Faulkner County
Census Tract
301.01
301.02
301.03
301.04
302
303.01
303.02
303.03
304.01
304.02
304.03
304.04
305.01
305.02
306
307.01
307.02
308
309
310.01
310.03
310.05
310.06
311.01
311.02

2010 CENSUS - CENSUS TRACT REFERENCE MAP - Faulkner County, AR



Legend

Water

- Major Waterway
- Waterway
- Stream
- Canal
- Other Water

Transportation

- Interstate
- State Route
- County Road
- Other Road
- Railroad
- Other Transportation

Land Use

- Urban
- Suburban
- Rural
- Other Land Use

Other

- Other



Scale: 1 inch = 10 miles

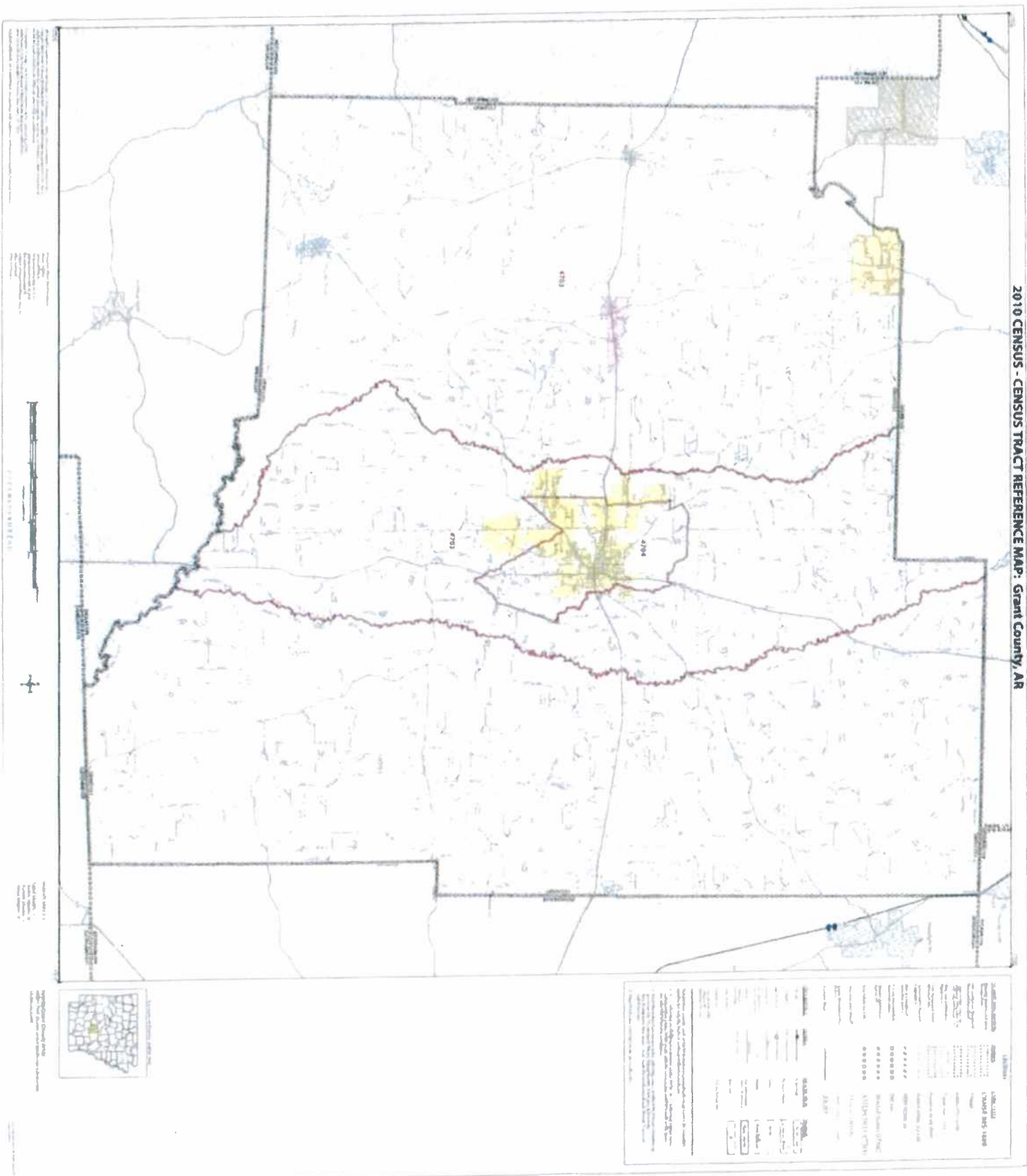
North Arrow

Source: U.S. Census Bureau, 2010 Census

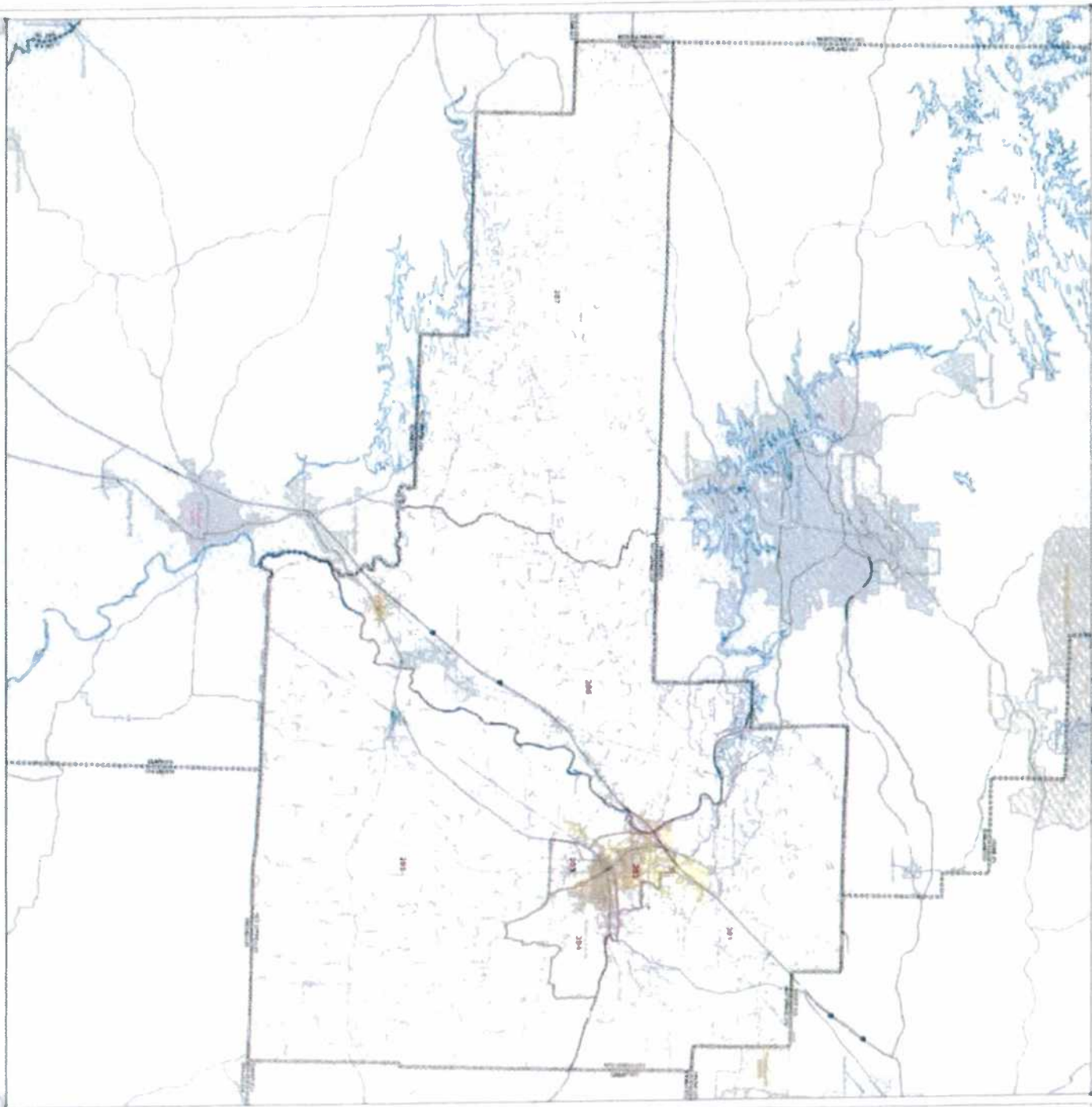
Map Date: 2010

Map Title: 2010 Census - Census Tract Reference Map - Faulkner County, AR

2010 CENSUS - CENSUS TRACT REFERENCE MAP: Grant County, AR



2010 CENSUS - CENSUS TRACT REFERENCE MAP: Hot Spring County, AR



LEGEND

Symbol	Description
---	County Boundary
---	City Boundary
---	Water
---	Major Road
---	Minor Road
---	Unimproved Road
---	Interstate
---	State Route
---	County Road
---	Other Road
---	Other

SCALE

1 inch = 1 mile

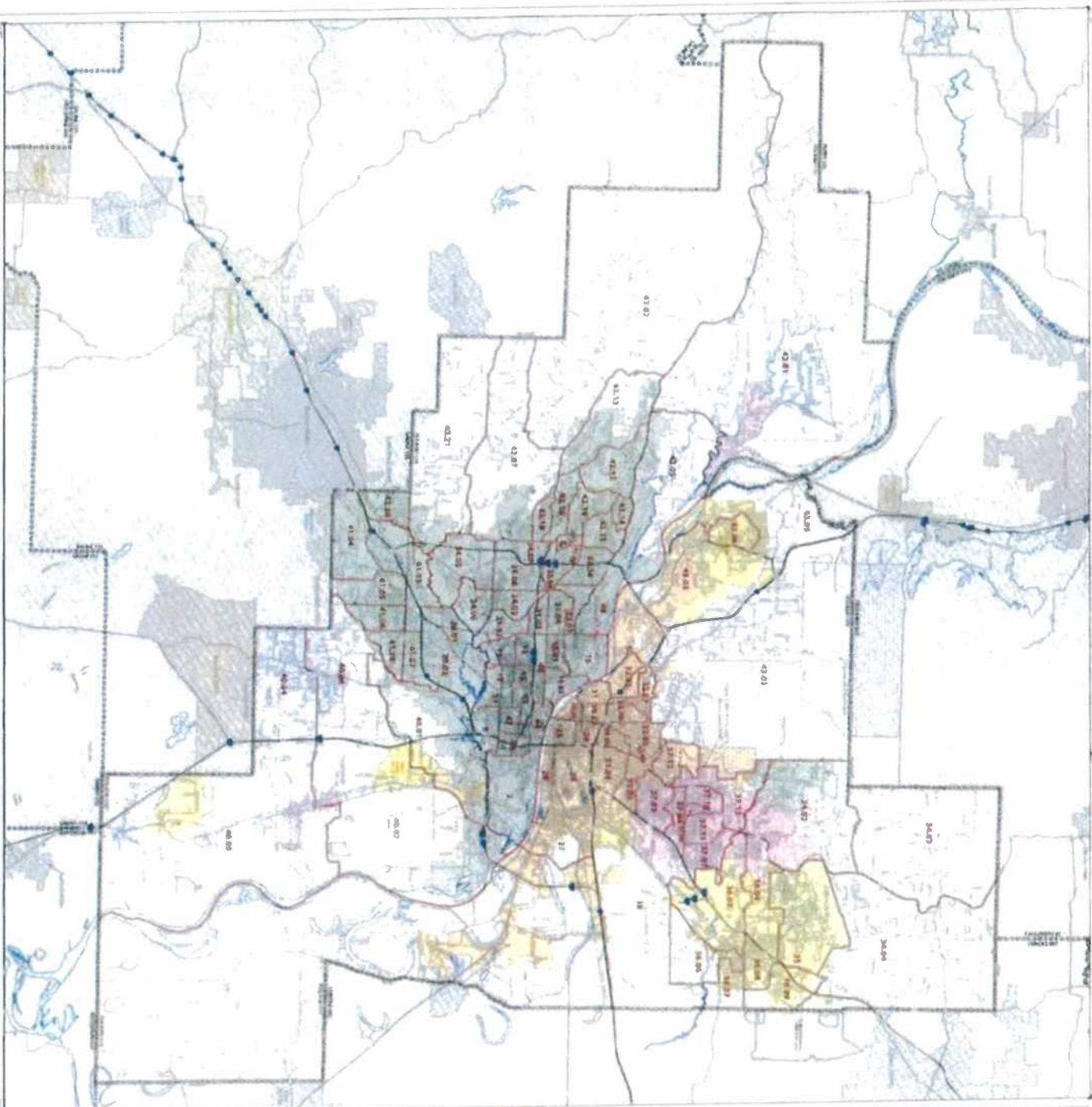
DATE

2010



Hot Spring County, Arkansas
2010 Census - Census Tract Reference Map
Scale: 1 inch = 1 mile
Date: 2010

2010 CENSUS - CENSUS TRACT REFERENCE MAP - Pulaski County, AR



LEGEND

WATER

Blue lines represent water features.

ROADS

Black lines represent roads.

CENSUS TRACTS

Tracts are color-coded by 2010 Census data. The legend lists various categories with corresponding colors and symbols.

POPULATION

Tracts are shaded according to population density.

UNINCORPORATED AREAS

Areas that are not part of any city or town.

INCORPORATED AREAS

Areas that are part of a city or town.

ADDITIONAL INFORMATION

Tracts with a population of 100 or less are shown in light gray.

NOTES

This map is a reference map and does not represent any official government boundary. It is based on the 2010 Census data and is subject to change.

Scale: 1:50,000

North Arrow: [Symbol]

Inset Map: [Symbol]

Map Information:

Produced by: [Organization]

Date: [Year]

Contact: [Phone Number]

Website: [URL]

Home Mortgage Disclosure Act Notice

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

Malvern National Bank
Loan to Deposit Ratio - last 6 Quarters

	Loans	Deposits	Ratio	
12/31/2023	\$ 332,108,433	\$ 533,255,121	62.28%	1
9/30/2023	\$ 314,224,060	\$ 528,292,847	59.48%	2
6/30/2023	\$ 314,841,653	\$ 536,362,349	58.70%	3
3/31/2023	\$ 318,040,149	\$ 536,418,905	59.29%	4
12/31/2022	\$ 321,014,735	\$ 539,139,387	59.54%	5
9/30/2022	\$ 316,912,769	\$ 543,350,126	58.33%	6