



PUBLIC DISCLOSURE

January 18, 2022

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

American Commerce Bank, National Association

Charter Number 24456

400 Highway 27 North Bypass
Bremen, Georgia 30110

Office of the Comptroller of the Currency

Three Ravinia Drive
Suite 1950
Atlanta, Georgia 30346

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 **Satisfactory**

The lending test is rated: Satisfactory

The community development test is rated: Satisfactory

The major factors that support this rating include:

The Lending Test rating is based on a full-scope review of the bank's small business lending in the bank's Assessment Areas (AAs). The Lending Test covered the timeframe of January 1, 2018 – December 31, 2020.

- The bank's loan-to-deposit ratio (LTD) is more than reasonable.
- A substantial portion of the bank's loans were originated outside of its assessment areas.
- The geographic distribution of small business loans reflects excellent distribution in the Georgia AA and reasonable distribution in the Florida AA.
- The distribution of loans to small businesses of different sizes is excellent throughout the AAs.

The Community Development (CD) Test rating is based on the CD activities, including lending, investments, and services for January 1, 2019 – December 31, 2020.

- The bank reflected adequate responsiveness to the CD lending needs of low-and moderate-income (LMI) individuals and families in the bank's AAs.
- CD investments and services reflected poor responsiveness to the community development needs of the bank's AAs.

Loan-to-Deposit Ratio

The bank's LTD ratio is more than reasonable considering the bank's size, financial condition, and credit needs of its AAs. The bank's quarterly net LTD ratio averaged 99.29 percent over the past eleven quarters from June 30, 2018 to December 31, 2020. The bank's quarterly LTD ratio ranged from a high of 108.6 percent at June 30, 2018, to a low of 86.2 percent at June 30, 2020.

At December 31, 2020, there were 23 banks, including three similarly situated banks, in the Atlanta-Sandy Springs-Alpharetta, Georgia MSA that had an average LTD of 94.4 percent. In the Tallahassee, Florida MSA there were 27 banks with 77 branches. There are three similarly situated banks in the Tallahassee, Florida MSA with an average LTD of 87.3 percent.

Lending in Assessment Area

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

The bank does not meet the standard for satisfactory performance. American Commerce Bank (ACB) has a strategic focus on originating and purchasing commercial real estate and commercial and industrial loans. Due to competition in their AAs, ACB offers its products nationwide which has resulted in a majority of lending activity occurring outside of the bank's AAs. The bank originated and purchased 43.2 percent by number and 15.5 percent by dollar volume 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 and is considered in the Lending Test analysis. ACB has expanded its AAs for consideration in future

evaluation periods.

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		
	#	%	#	%		\$	%	\$	%	
Small Business										
Georgia	47	38.8	74	61.2	121	7,819,074	13.5	49,911,736	86.5	57,730,810
Florida	20	58.8	14	41.2	34	3,972,472	21.7	14,333,467	78.3	18,305,939
Total	67	43.2	88	56.8	155	11,791,546	15.5	64,245,203	84.5	76,036,749

Source: Bank reported small business originations and purchases during evaluation period.

Description of Institution

ACB is a nationally chartered multi-state community bank serving communities in Georgia and Florida. It is wholly owned by American Commerce Bancshares, a one bank holding company. The bank and the holding company maintain headquarters in Bremen, Haralson County Georgia. Established in October 2004, the bank changed its name from Peoples Community National Bank to American Commerce Bank in February 2015. The bank offers three full-service branch offices with locations in Bremen, GA (Haralson County), Johns Creek, GA (Fulton County), and Tallahassee, FL (Leon County). ACB designated the counties of Haralson, Carroll, and Fulton in the Atlanta-Sandy Springs-Alpharetta, MSA and Leon County in the Tallahassee MSA as its AAs. The bank's AAs includes a total of 113 census tracts (CTs) in Georgia and Florida. The AAs meet the requirements of the CRA regulation and do not arbitrarily exclude low-or moderate-income CTs.

The bank offers a variety of credit and deposit services to businesses and consumers. Lending products include home mortgages, construction loans, commercial real estate, and various commercial and industrial loans. Deposit products include certificates of deposit, money market, and various checking and savings accounts for individuals and businesses. The bank offers on-line banking, mobile banking, and remote deposit capture services. Additionally, ACB offers automatic teller machines (ATM) with deposit taking services at its Bremen and Johns Creek branches and all branches offer drive-thru services. No branches have been closed, and no merger or acquisition activities occurred during our evaluation period.

At December 31, 2020, ACB had total assets of \$383 million. Total deposits were \$318 million and tier 1 capital totaled \$46 million. Net loans and leases were \$325.8 million and represented 85 percent of total assets. Loan secured by real estate totaled 90 percent of the loan portfolio. The bank's primary lending product is commercial loans secured by real estate which totaled approximately \$227 million at December 31, 2020.

During the Covid-19 pandemic, the SBA offered Paycheck Protection Program (PPP) loans under the CARES Act to small businesses throughout the country. The PPP was designed to maintain and stabilize small businesses during the pandemic. In 2020, to address the lending needs of small businesses during the COVID-19 pandemic, ACB originated 103 PPP loans in their AAs totaling \$7.5 million. The PPP loans directly benefitted businesses in both AAs and are reflected in the community development loans.

For the evaluation period, there were no legal, financial, or other factors impeding the bank's ability to help meet the credit needs in its AAs. ACB's last CRA evaluation was dated June 25, 2018 and the institution rating was Satisfactory.

Scope of the Evaluation

Evaluation Period/Products Evaluated

The performance evaluation is an assessment of ACB's CRA performance utilizing the Intermediate Small Bank (ISB) CRA procedures. The ISB procedures include a Lending Test and a CD Test. The Lending Test evaluates the bank's record of meeting the credit needs of the bank's AA through its lending activities. The bank offered both residential and commercial loan products but is primarily a commercial lender. As a result, the OCC focused on small business loan products for this evaluation. The evaluation period for the lending test was January 1, 2018, through December 31, 2020. The CD Test evaluates the bank's responsiveness to CD needs in its AA through qualified CD lending, investments, and service activities. The evaluation period for the CD Test was January 1, 2019 through December 31, 2020. The overall rating was primarily driven by the results of the lending test as the bank did not become subject to the CD activity requirements until 2019.

With an evaluation period end date of December 31, 2020, qualifying activities performed in response to the significant impact of the coronavirus pandemic across the United States were considered in this evaluation.

ACB has been subject to the Home Mortgage Disclosure Act (HMDA) in the past, which requires the collection and reporting of application data concerning home purchase, home refinance, and home improvement loans. However, during the evaluation period, the bank became a non-HMDA reportable institution due to revisions to the Consumer Financial Protection Bureau (CFPB) thresholds. Given the limited amount of home mortgage activity, the OCC did not conduct an analysis of home mortgage lending.

Selection of Areas for Full-Scope Review

In each state where the bank has an office, one or more AAs within that state was selected for a full-scope review. For more information regarding the scope of this examination, see Appendix A, Scope of Examination.

Ratings

The bank's overall rating is a blend of the state ratings for the States of Georgia and Florida. The bank's primary loan product was determined to be small business loans, as the bank's consumer lending is minimal. Refer to the "Scope" section under the state's section for details regarding how the states ratings were determined for the evaluation.

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 (or any affiliate whose loans have been considered as part of the institution's lending performance) has engaged in discriminatory or other illegal credit practices that require consideration in this evaluation.

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

State Rating

State of Georgia

CRA rating for the State of Georgia¹: Satisfactory

The Lending Test is rated: Satisfactory

The Community Development Test is rated: Satisfactory

The major factors that support this rating include:

- ACB's LTD ratio is more than reasonable.
- The geographic distribution of small business loans and distribution of loans to small businesses of different sizes originated in the AA reflects excellent distribution. The overall rating is impacted by the amount of lending outside of the bank's AA.
- CD lending activities reflect adequate responsiveness to the credit needs in the AA. However, CD investment and service activities reflects poor responsiveness to the CD needs of the bank's AA.

Description of Institution's Operations in Georgia

ACB has two branches in Georgia, one in Bremen, Haralson County and one in Johns Creek, Fulton County which is in the Atlanta-Sandy Springs-Alpharetta, Georgia MSA. Each branch has a deposit taking automatic teller machine (ATM) and offers drive-thru services. Due to the number of banks operating in the AA, competition is very strong for lending and deposits. Competition from large national and regional banks is strong. In addition to ACB there are 23 other FDIC-insured financial institutions that have 68 branch locations throughout the AA. The top three banks based on total deposits in the AA were, Bank of America, NA, Truist Bank and Wells Fargo. Overall, ACB ranks ninth in deposits out of the FDIC-insured financial institutions operating in the AA, with total dollar volume of deposits of \$279 million, which represented 2.9 percent market share.

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.

According to the 2015 US American Community Services (ASC) census data, the counties in the Georgia AA include 45 CTs by income level as follows: 1 low-income; 14 moderate-income; 7 middle-income; and 23 upper- income CTs. The AA meets the requirements of the CRA regulation and does not arbitrarily exclude low-or moderate-income CTs. Additionally, 2015 US ACS Census data, shows the population of the bank’s Georgia AA at 298 thousand with 76 thousand families. Approximately 18.6 percent of the families in the AA are low-income and 14.3 percent are moderate-income. Approximately 9.1 percent of the families live below the poverty level. For the evaluation period, the median family income in the AA was \$67,322. Haralson and Carroll are contiguous counties west of Atlanta, Georgia, and Johns Creek, is north of Atlanta, Georgia in Fulton County. In December 2020, the Georgia Department of Labor reported the unemployment rate in the counties as Haralson at 4.7, Carroll at 5.7, and Fulton at 6.0 percent. The unemployment rate for the State of Georgia during this same period was at 5.3 percent. The Haralson-Carroll counties are home to top employers such as Honda of America Manufacturing, Inc., Atlanta Structural Concrete Company, Tanner Medical Center and University of West Georgia. Top employers in the Johns Creek area are World Financial Group and Mount Pisgah Christian School.

The following table provides a summary of the demographic information for ACB’s Georgia’s AA.

Atlanta-Sandy Springs-Alpharetta Georgia

Table A – Demographic Information of the Assessment Area						
Assessment Area: American Commerce GA AA 2020						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	45	2.2	31.1	15.6	51.1	0.0
Population by Geography	297,851	1.0	30.9	15.4	52.6	0.0
Housing Units by Geography	113,583	1.1	32.4	16.5	49.9	0.0
Owner-Occupied Units by Geography	71,758	0.2	28.7	16.7	54.4	0.0
Occupied Rental Units by Geography	32,879	2.8	36.8	15.5	44.9	0.0
Vacant Units by Geography	8,946	2.6	46.6	19.0	31.8	0.0
Businesses by Geography	36,421	0.6	18.8	9.7	70.9	0.0
Farms by Geography	617	0.2	39.4	22.0	38.4	0.0
Family Distribution by Income Level	76,148	18.6	14.3	16.4	50.8	0.0
Household Distribution by Income Level	104,637	21.3	14.5	15.1	49.1	0.0
Median Family Income MSA - 12060 Atlanta-Sandy Springs-Alpharetta, GA MSA		\$67,322	Median Housing Value			\$231,786
			Median Gross Rent			\$962
			Families Below Poverty Level			9.1%

*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.*

The evaluation considers the input from three recent community contacts. The community contacts are from one affordable housing and two economic development organizations. The identified credit needs include board and bank personnel involvement, along with credit availability for affordable

housing. Economic development organizations noted banks in the community are committed to developing their communities but believe educational classes on topics such as how to start a small business, how to get a business loan, and how to get capital are needed.

Scope of Evaluation in Georgia

This analysis reflects a full-scope review of the bank's AA encompassing the three counties of Carroll, Haralson, and Fulton County, GA.

Refer to the table in Appendix A: Scope of Examination for additional information.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN THE STATE OF GEORGIA

LENDING TEST

The bank's performance under the Lending Test in the State of Georgia is rated Satisfactory.

Conclusions for the Atlanta-Sandy Springs-Alpharetta, Georgia MSA receiving a Full-Scope Review

Based on a full-scope review of the bank's small business lending products and channels, the bank's lending performance in the State of Georgia is reasonable. Our sample included 20 loans originated in the Georgia AAs during the review period. While our sample demonstrated excellent distribution of loans by geography and business size within the AA, the overall rating is impacted by the amount of lending outside of the bank's AA. The OCC's analysis only considered commercial lending products as the volume of home mortgage and farm loans was minimal.

Distribution of Loans by Income Level of the Geography

The bank exhibits excellent geographic distribution of loans in the State of Georgia.

Small Loans to Businesses

Refer to Table Q in the state of Georgia 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.

Overall, the bank's lending reflects an excellent geographic distribution of loans to small businesses. Based on our sample, the bank's percentage of small business lending in both low-and moderate-income geographies exceeds the aggregate of all lenders originating small business loans in the assessment area. While the bank did not originate any small business loans in its one low-income CT, 75 percent of the loans sampled were made in moderate-income CTs, exceeding the aggregate lending of all lenders of 18.5 percent.

Distribution of Loans by Income Level of the Borrower

The bank exhibits an excellent distribution of loans to small businesses of different sizes.

Small Loans to Businesses

Refer to Table R in the state of Georgia 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.

Overall, the bank's lending levels reflect an excellent borrower distribution of loans to small businesses. The percentage of loans to small businesses (businesses with annual gross revenues of \$1 million or less) exceeds the aggregate of all lenders originating small business loans in the assessment area. Specifically, 86 percent of the bank's business lending was to businesses with gross annual revenues less than \$1 million, while the aggregate of all lenders was 51 percent.

Responses to Complaints

Neither ACB nor the OCC received complaints related to the bank's CRA performance since the prior CRA examination.

COMMUNITY DEVELOPMENT TEST

The bank's performance under the Community Development Test in the State of Georgia is rated Satisfactory.

Conclusions for the Atlanta-Sandy Springs-Alpharetta, Georgia MSA

Based on a full-scope review the bank exhibits adequate responsiveness to community development needs. During the CD evaluation period of January 1, 2019 - December 31, 2020, consideration was given to the bank's capacity, and the credit needs and availability of such opportunities for community development in the bank's AA. CD activities for lending demonstrated an adequate responsiveness to community development needs of LMI individuals and families within the bank's AA. ACB demonstrated poor responsiveness to CD needs through qualified investment activities and CD services. However, more weight was given to the bank's CD lending activities during this evaluation period as a result of the COVID-19 pandemic. The bank participated in PPP lending which helped stabilize small businesses and communities. The pandemic also limited the opportunities to offer services.

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 \$
Atlanta-Sandy Springs-Alpharetta MSA				
PPP Loans	67	94.4	5,193,727	60.1
CD Loans	4	5.6	3,444,057	39.9

CD loans originated during the evaluation period include:

- In 2020, during the COVID-19 pandemic, the bank originated a total of 67 PPP loans totaling \$5.2 million to meet the credit needs of struggling businesses significantly impacted by the pandemic in the Atlanta-Sandy Springs-Alpharetta, Georgia MSA.
- During the evaluation period, two multi-family loans in the amount of \$3.2 million were originated for the purpose of providing affordable housing in moderate-income census tracts.
- Two loans in the amount of \$204 thousand were originated for the purpose of providing health care services in moderate-income census tracts.

Number and Amount of Qualified Investments

Qualified Investments										
Assessment Area	Prior Period*		Current Period		Total				Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	% of Total #	\$(000's)	% of Total \$	#	\$(000's)
Atlanta-Sandy Springs-Alpharetta MSA	0	0	0	0	0	0	0	0		0

ACB did not present for consideration any qualified community development investments that were originated inside the Atlanta-Sandy Springs-Alpharetta, Georgia MSA, which represents a poor level of CD investments. Even with strong competition from large and regional banks within the AA, there are available opportunities to participate in CD investments.

Extent to Which the Bank Provides Community Development Services

ACB did not present for consideration any qualified CD services. The evaluation of the bank's community development services performance takes into consideration the impact of the COVID-19 pandemic. The bank's AAs were in a government mandated lockdown, in which people were required to

* '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.

stay home and businesses were not allowed to be open for normal business activity. The effects of the lockdown impacted the bank's ability to perform CD services.

State Rating

State of Florida

CRA rating for the State of Florida²: Satisfactory.

The Lending Test is rated: Satisfactory.

The Community Development Test is rated: Satisfactory.

The major factors that support this rating include:

- The geographic distribution of small business loans reflects reasonable distribution throughout the Florida AA.
- The distribution of loans to small businesses of different sizes is excellent.
- CD lending and service activities reflect adequate responsiveness to the credit and CD needs of the bank's AA.
- CD investment activities reflect poor responsiveness to the CD needs in this AA.

Description of Institution's Operations in Florida

ACB has one full-service branch in Florida, located in Leon County, which is in the Tallahassee, Florida MSA. The bank does not offer an ATM at this location but offers drive-thru services. In addition to ACB there are 26 other FDIC-insured financial institutions that have 76 branch locations throughout the AA. The total dollar volume of ACB's deposits was \$53 million, which is 1.3 percent share in the Tallahassee, FL market giving the bank a ranking of 19 out of 27 banks in the market by deposits. There are three similarly situated banks in the designated Tallahassee MSA. One of the banks has a similar asset size, while two of the banks are larger in asset size. Leading competitors in the market are Truist Bank, Wells Fargo, NA, Capital City Bank, Bank of America, NA, and, First Commerce. Due to the number of banks operating in the AA, competition is very strong for lending and deposits.

According to the 2015 US ASC census data, the Tallahassee, Leon county Florida AA includes 68 CTs by income level as follows: 13 low-income; 16 moderate-income; 18 middle-income; 19 upper- income CTs, and 2- that are not applicable. The AA meets the requirements of the CRA regulation and does not arbitrarily exclude low-or moderate-income CTs. Additionally, 2015 US ACS census data, shows the population of the Tallahassee, Florida MSA at 283 thousand with 61 thousand families. Approximately 21.1 percent of the families in the AA are low-income and 15.6 percent are moderate-income. Approximately 10.9 percent of the families live below the poverty level. For the evaluation period, the median family income in the AA was \$64,055.

Tallahassee, Florida is the state capital and is located in Leon County. In December 2020, the Florida Department of Labor reported the unemployment rate in Leon County at 3.3 percent. The unemployment rate for the State of Florida during this same period was at 5.1 percent. Leon County is home to top

² This rating reflects performance within the state. The statewide evaluations do not reflect performance in the parts of those states contained within the MMSA.

employers such as Florida State University, State of Florida government, and Tallahassee Memorial Healthcare, Inc. Competition from large national and regional banks is strong.

The evaluation considers the input from a community contact. The community contact was an affordable housing organization. The identified credit need is the need for additional banks to become lenders in the organization's programs. Since the organization offers a down payment assistance program, the bank must register to become a certified lender in the program to offer down payment assistance and loans for affordable housing applicants.

The following table provides a summary of the demographic information for ACB's Florida's AA.

Tallahassee, Florida

Table A – Demographic Information of the Assessment Area						
Assessment Area: American Commerce FL AA 2020						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	68	19.1	23.5	26.5	27.9	2.9
Population by Geography	282,940	16.4	20.6	26.4	31.8	4.8
Housing Units by Geography	125,915	17.7	20.8	28.7	29.7	3.1
Owner-Occupied Units by Geography	58,008	5.0	14.3	30.7	49.2	0.8
Occupied Rental Units by Geography	52,826	29.1	26.3	26.9	12.1	5.6
Vacant Units by Geography	15,081	26.2	27.0	27.4	16.7	2.7
Businesses by Geography	35,830	8.4	20.5	33.3	36.1	1.8
Farms by Geography	925	4.9	15.7	32.9	45.6	1.0
Family Distribution by Income Level	60,921	21.1	15.6	18.4	45.0	0.0
Household Distribution by Income Level	110,834	25.1	14.4	16.6	43.9	0.0
Median Family Income MSA - 45220 Tallahassee, FL MSA		\$64,055	Median Housing Value			\$163,333
			Median Gross Rent			\$923
			Families Below Poverty Level			10.9%
<i>Source: 2015 ACS and 2020 D&B Data</i> <i>Due to rounding, totals may not equal 100.0%</i> <i>(*) The NA category consists of geographies that have not been assigned an income classification.</i>						

Scope of Evaluation in Florida

This analysis reflects a full-scope review of the bank's AA encompassing the Tallahassee, Leon County Florida MSA.

Refer to the table in Appendix A: Scope of Examination for additional information.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN THE STATE OF FLORIDA

LENDING TEST

The bank's performance under the Lending Test in the State of Florida is rated Satisfactory.

Conclusions for the Tallahassee, Florida MSA receiving a Full-Scope Review

Based on a full-scope review, the bank's lending performance in the State of Florida is reasonable. We compared the bank's performance with both demographic comparators and aggregate lender information. Our sample included 20 loans originated in the Florida AA.

The bank originated a minimal number of small farm and consumer loans and is a non-HMDA reporter for mortgages; therefore, a meaningful analysis could not be performed for those product types.

Distribution of Loans by Income Level of the Geography

The bank exhibits reasonable geographic distribution of loans in the State of Florida.

Small Loans to Businesses

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

The geographic distribution of loans to small businesses reflects reasonable distribution within the Tallahassee, Florida MSA. Approximately 29 percent of small businesses within the AA are located in low- or moderate-income CTs. The bank originated or purchased 35 percent of their small business loans within those CTs. Given the bank's size, capacity, and other performance context considerations previously discussed, we concluded the bank's overall geographic distribution of small business loans reflects reasonable dispersion in the AA.

Distribution of Loans by Income Level of the Borrower

The bank exhibits an excellent distribution of loans to small businesses of different sizes.

Small Loans to Businesses

Refer to Table R in the state of Florida 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.

Overall, the bank's lending levels reflect an excellent borrower distribution of loans to small businesses. Ninety-one percent of businesses reported total revenues less than \$1 million. Ninety-five percent of ACB's loan originations were to businesses with annual revenues of less than \$1 million, which compares favorably with aggregate lending of all lenders of 49 percent.

Responses to Complaints

Neither ACB nor the OCC received complaints related to the bank's CRA performance in the Tallahassee, Florida MSA, since the prior CRA examination.

COMMUNITY DEVELOPMENT TEST

The bank's performance under the Community Development Test in the State of Florida is rated Satisfactory.

Conclusions for the Tallahassee, Florida MSA

Based on a full-scope review, the bank exhibits adequate responsiveness to community development needs in the state through community development loans, qualified investments, and community development services.

During the community development evaluation period of January 1, 2019 through December 31, 2020, consideration was given to the bank's capacity, and the credit needs and availability of such opportunities for community development in the bank's AA. ACB CD activities for lending and services demonstrated adequate responsiveness to community development needs of LMI individuals and families within the bank's AA. ACB demonstrated poor responsiveness to CD needs through qualified investment activities. However, more weight was given to the bank's CD lending activities during this evaluation period as a result of the COVID-19 pandemic. The bank participated in PPP lending which helped stabilize small businesses and communities. CD service opportunities were limited during the evaluation period due to restrictions imposed as a result of the pandemic.

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 \$
Tallahassee, MSA				
PPP Loans	36	97.3	2,302,075	79.2
CD Loans	1	2.7	607,500	20.8

CD loans originated during the evaluation period include:

- The 36 PPP loans originated under the SBA's PPP were for the purpose of providing support to retain and stabilize small businesses located inside the AA during the COVID-19 pandemic.
- Additionally, a \$608 thousand multi-family loan was originated for the purpose of providing affordable housing in a moderate-income census tract.

Number and Amount of Qualified Investments

Qualified Investments										
Assessment Area	Prior Period*		Current Period		Total				Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	% of Total #	\$(000's)	% of Total \$	#	\$(000's)
Tallahassee, MSA	0	0	0	0		0	0	0		0

* 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.

ACB did not present for consideration any qualified community development investments that were originated inside the Tallahassee, Florida MSA, which represents a poor level of CD investments. Even with strong competition from large and regional banks within the AA, there are available opportunities to participate in CD investments.

Extent to Which the Bank Provides Community Development Services

ACB demonstrated satisfactory responsiveness to CD needs when offering qualifying services to LMI individuals within the AA. An employee provided technical assistance by serving on the board of a community services organization.

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:	01/01/2018 to 12/31/2020	
Bank Products Reviewed:	Small Business loans for Lending Test - 01/01/2018– 12/31/2020 Community development loans, qualified investments, community development services - 01/01/2019 -12/31/2020	
Affiliate(s)	Affiliate Relationship	Products Reviewed
None	None	None
List of Assessment Areas and Type of Examination		
Rating and Assessment Areas	Type of Exam	Other Information
State		
Georgia	Full-Scope	
Atlanta-Sandy Springs-Alpharetta MSA		Haralson, Carroll, Johns Creek-Fulton
Florida	Full-Scope	
Tallahassee MSA		Leon County

Appendix B: Summary of MMSA and State Ratings

RATINGS (American Commerce Bank)			
Overall Bank:	Lending Test Rating*	CD Test Rating	Overall Bank/State/ Rating
American Commerce Bank	Satisfactory	Satisfactory	Satisfactory
State:			
Georgia	Satisfactory	Satisfactory	Satisfactory
Florida	Satisfactory	Satisfactory	Satisfactory

(* The overall rating was primarily driven by the results of the lending test, as the bank did not become subject to the CD activity requirement until 2019.

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 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.

Table Q: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography -Georgia **2018-20**

Assessment Area:	Total Loans to Small Businesses				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate
American Commerce GA AA 2020	20	5,124,044	100.0	9,379	0.6	0.0	0.5	18.8	75.0	18.5	9.7	25.0	8.4	70.9	0.0	72.6	0.0	0.0	0.0
Total	20	5,124,044	100.0	9,379	0.6	0.0	0.5	18.8	75.0	18.5	9.7	25.0	8.4	70.9	0.0	72.6	0.0	0.0	0.0

Source: 2020 D&B Data; 01/01/2018 - 12/31/2020 Bank Data; 2019 CRA Aggregate Data, "--" data not available.
 Due to rounding, totals may not equal 100.0%

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

2018-20

Assessment Area:	Total Loans to Small Businesses				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate
American Commerce FL AA 2020	20	4,664,972	100.0	6,092	8.4	10.0	6.5	20.5	25.0	20.8	33.3	25.0	33.8	36.1	40.0	37.6	1.8	0.0	1.4
Total	20	4,664,972	100.0	6,092	8.4	10.0	6.5	20.5	25.0	20.8	33.3	25.0	33.8	36.1	40.0	37.6	1.8	0.0	1.4

Source: 2020 D&B Data; 01/01/2018 - 12/31/2020 Bank Data; 2019 CRA Aggregate Data, "--" data not available.
 Due to rounding, totals may not equal 100.0%

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

2018-20

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
American Commerce GA AA 2020	20	5,124,044	100.0	9,379	88.4	85.5	52.1	3.0	14.5	6.0	0.0
Total	20	5,124,044	100.00	9,379	88.4	85.5	52.1	3.0	14.5	6.0	0.0

Source: 2020 D&B Data; 01/01/2018 - 12/31/2020 Bank Data; 2019 CRA Aggregate Data, "--" data not available.
 Due to rounding, totals may not equal 100.0%

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

2018-20

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
American Commerce FL AA 2020	20	4,664,972	100.0	6,092	91.0	95.2	48.5	3.2	4.8	8.4	0.0
Total	20	4,664,972	100.00	6,092	91.0	95.2	48.5	3.2	4.8	8.4	0.0

Source: 2020 D&B Data; 01/01/2018 - 12/31/2020 Bank Data; 2019 CRA Aggregate Data, "--" data not available.
 Due to rounding, totals may not equal 100.0%