

ALSTON & BIRD

One Atlantic Center
1201 West Peachtree Street
Atlanta, GA 30309-3424
404-881-7000 | Fax: 404-881-7777

John W. Gerl

Direct Dial: 404-881-4958

Email: john.gerl@alston.com

October 9, 2023

VIA ELECTRONIC SUBMISSION (Licensing@occ.treas.gov)

Ms. Debra M. Burke
Director for Licensing
Office of the Comptroller of the Currency
Eastern District Office
340 Madison Ave., 5th Fl.
New York, NY 10173

Re: Proposed Merger Transaction – NexTier Bank, N.A. and Mars Bank
Confidential Treatment Requested

Ms. Burke,

We are writing on behalf of NexTier, Inc., Kittanning, Pennsylvania (“NexTier”) and its wholly-owned subsidiary, NexTier Bank, N.A., Kittanning, Pennsylvania (“NexTier Bank”), in connection with the proposed merger transactions described below.

Background and Purpose. NexTier is a privately-held Delaware corporation and bank holding company under the Bank Holding Company Act of 1956, as amended (“BHC Act”), and has elected to be treated as a financial holding company pursuant to the Gramm-Leach Bliley Act of 1999 (“GLBA”). NexTier is regulated by the Board of Governors of the Federal Reserve System (“FRB”). NexTier Bank, NexTier’s wholly-owned bank subsidiary, is a national banking association chartered by the Office of the Comptroller of the Currency (“OCC”) and regulated by the same. Mars Bancorp, Inc. (“Mars”) is a Pennsylvania corporation and bank holding company under the BHC Act. Mars, like NexTier, is regulated by the FRB. Mars Bank (“Mars Bank”), a Pennsylvania state-chartered bank and wholly-owned bank subsidiary of Mars, is regulated by the Federal Deposit Insurance Corporation (“FDIC”) and the Pennsylvania Department of Banking and Securities (“PDBS”).

The deposit accounts of NexTier Bank and Mars Bank are each insured by the Deposit Insurance Fund of the FDIC up to applicable FDIC limits. Including its headquarters and main office in Kittanning, Pennsylvania, NexTier Bank has banking locations in Allegheny, Armstrong, Butler, Clearfield, Cumberland, and Westmoreland counties in Pennsylvania. Mars Bank’s main office is in Mars, Pennsylvania (Butler County), with additional branches located across Allegheny, Butler, and Mercer counties in Pennsylvania, and one loan production office in Butler County, Pennsylvania.

NexTier Bank and Mars Bank wish to join together as a single, nationally-chartered banking association named NexTier Bank, N.A., in order to better serve their local communities and to bring greater

Alston & Bird LLP

www.alston.com

Atlanta | Beijing | Brussels | Charlotte | Dallas | London | Los Angeles | New York | Raleigh | San Francisco | Silicon Valley | Washington, D.C.

LEGAL02/43310209v1

financial resources, financial products, and other benefits to their depositors, borrowers, customers and shareholders.

The Boards of Directors of NexTier and NexTier Bank unanimously approved the proposed merger transactions on August 25, 2023. The Boards of Directors of Mars and Mars Bank unanimously approved the proposed merger transactions on August 30, 2023.

Structure of Merger. On August 30, 2023, NexTier entered into an Agreement and Plan of Merger (the “Merger Agreement”) with Mars and NexTier Merger Sub, Inc., a newly-formed Pennsylvania corporation and wholly-owned subsidiary of NexTier (“Merger Sub”), pursuant to which at the effective time of the Merger Agreement, (i) Merger Sub will merge with and into Mars, with Mars as the surviving entity (the “Merger”), (ii) immediately after the effective time of the Merger and pursuant to a Short Form Merger Agreement, Mars will merge with and into NexTier, with NexTier as the surviving entity (the “Short Merger”), and (iii) immediately after the effective time of the Short Merger and pursuant to a Bank Plan of Merger, Mars Bank will merge with and into NexTier Bank, with NexTier Bank as the surviving bank (the “Bank Merger” and, collectively with the Merger and the Short Merger, the “Mergers”). Upon consummation of the Bank Merger, NexTier Bank shall continue its existence as the resulting bank and the separate existence of Mars Bank will cease. The date the Mergers become effective (“Effective Time”) is expected to be sometime in the first quarter of 2024, subject to customary closing conditions (including regulatory approval and approvals from Mars shareholders).

On the date the Mergers are consummated, each outstanding share of common stock of Mars will be cancelled and converted into the right to receive the merger consideration (as described in the BMA Application), while each outstanding share of NexTier common stock will remain outstanding. NexTier Bank will continue to be a wholly-owned subsidiary of NexTier. All assets of Mars Bank at the Bank Merger Effective Time shall pass to and vest in NexTier Bank without any conveyance or transfer.

Interagency Bank Merger Act Application. An Interagency Bank Merger Act Application (“BMA Application”) in connection with the Bank Merger is enclosed herewith, consisting of one (1) electronic copy of the public volume and the confidential volume.

FR Y-3. In addition to providing the BMA Application to the OCC in connection with the Bank Merger, we will submit an Application to Become a Bank Holding Company and/or Acquire an Additional Bank or Bank Holding Company on Form FR Y-3 with the Federal Reserve Bank of Cleveland in connection with the Merger and the Short Merger (“FR Y-3”). We will provide the OCC with an electronic copy of the public and confidential volumes of the FR Y-3 upon filing with the Federal Reserve Bank of Cleveland.

PDBS Application. We will also submit a “Bank Holding Company Application” to the PDBS, pursuant to Title 7, Section 115 of the Pennsylvania Statutes (“PDBS Application”). We will provide the OCC with an electronic copy of the PDBS application upon filing with the PDBS.

Newspaper Notices. In connection with the submission of this BMA Application, NexTier Bank and Mars Bank will publish notice of the proposed transaction in the *Leader Times* and the *Butler Eagle*, which are newspapers of general circulation in the communities in which the head offices of NexTier Bank and Mars Bank are located, respectively. The notices will be published in the *Leader Times* and the *Butler Eagle* on October 12, 2023, October 19, 2023, and November 7, 2023. We will send you affidavits of publication of the notices upon receipt.

Confidential Treatment Requested. NexTier Bank respectfully requests confidential treatment of the confidential volumes enclosed herewith (collectively, the “Confidential Information”) and seeks an exemption from disclosure of such information under 12 CFR Part 4, Subpart B and the Freedom of Information Act (“FOIA”). The grounds for such an exemption under FOIA, among others, are as follows.

The Confidential Information contains confidential business, commercial, and financial information, the release of which would be competitively harmful to NexTier Bank’s business. Under 5

U.S.C. § 552(b)(4), confidential information that contains “trade secrets and commercial or financial information” is exempt from FOIA’s disclosure rules. Accordingly, the Confidential Information is exempt from disclosure under FOIA because it pertains to NexTier Bank’s business operations, internal management functions and the non-public financial projections of the company, and is thus proprietary information for which disclosure could cause competitive harm to NexTier Bank, NexTier and NexTier’s shareholders.

Under 5 U.S.C. § 552(b)(8), confidential information related to “examination, operating, or condition reports prepared by, on behalf of, or for the use of an agency responsible for the regulation or supervision of financial institutions” is exempt from FOIA’s disclosure rules. Accordingly, the Confidential Information is exempt from disclosure under FOIA because it has been prepared for use by the OCC in its capacity as NexTier Bank’s regulator.

Alternatively, the Confidential Information is confidential pursuant to the judicial test for confidentiality. Under this test, information is confidential if public disclosure is likely to (i) impair the government’s ability to obtain necessary information in the future, or (ii) cause substantial economic harm to the competitive position of the person from whom the information is obtained. *Nat’l Parks and Conservation Ass’n v. Morton*, 498 F.2d 765 (D.C. Cir. 1974). See *Critical Mass Energy Project v. Nuclear Regulatory Comm’n*, 975 F.2d 871, 872 (D.C. Cir. 1992) (limiting the application of *National Parks* to FOIA requests for financial or commercial information that a person is obliged to provide to the government). See also, *Judicial Watch, Inc. v. U.S. Dep’t of Treasury*, 802 F. Supp. 2d 185, 204-05 (D.D.C. 2011). Disclosure of the Confidential Information by the OCC may discourage applicants from providing full and complete information and, accordingly, impede the government’s ability to obtain information. Further, public disclosure of the Confidential Information could undermine NexTier Bank’s competitive position.

If the OCC determines not to treat the Confidential Information as exempt from the applicable disclosure rules, we respectfully request that we be given notice and time to expand our submission as to the confidential nature of the Confidential Information. We further request that we be notified promptly of any FOIA or other request for information contained in or enclosed with this letter or the letter itself.

Questions or comments regarding the foregoing or the enclosed should be addressed to the undersigned at (404) 881-4958 or David S. Park at (404) 881-7411.

Sincerely,



John W. Gerl

Enclosures

cc: Ryan Schilling, Federal Reserve Bank of Cleveland
Robert C. Lopez, Pennsylvania Department of Banking and Securities

INTERAGENCY BANK MERGER ACT APPLICATION

of

NEXTIER BANK, N.A.

regarding

MARS BANK

October 9, 2023

**EXHIBITS TO THE
INTERAGENCY BANK MERGER ACT APPLICATION**

INDEX

<u>EXHIBITS</u>
<u>Confidential Volume</u>
<u>Confidential Exhibit 1*</u> : Merger Agreement Summary
<u>Confidential Exhibit 4.a.*</u> : Merger Agreement and Exhibits
<u>Confidential Exhibit 4.b.*</u> : Resolutions of the NexTier, NexTier Bank, NexTier Merger Sub, Inc., Mars and Mars Bank boards of directors
<u>Confidential Exhibit 7*</u> : Pro Forma and Projected Financial Information
<u>Confidential Exhibit 8*</u> : List of the directors and senior executive officers of NexTier and NexTier Bank after the Mergers, including their addresses, their positions with NexTier and NexTier Bank (for senior executive officers), their principal occupations (for directors) and their shareholdings in NexTier and NexTier Bank
<u>Public Volume</u>
<u>Exhibit 11</u> : NexTier Bank CRA Performance Evaluation
<u>Exhibit 16</u> : HHI Analysis

*** The items marked with an asterisk (*) are included in the Confidential Volume submitted herewith.**

Check all that apply:

Applicant Depository Institution

Target Institution

Resultant Institution (if different than Applicant)

Contact Person

INTERAGENCY BANK MERGER ACT APPLICATION

- 1. Describe the transaction's purpose, structure, significant terms, conditions, and termination dates of related contracts or agreements; and financing arrangements, including any plan to raise additional equity or incur debt.**

Background and Purpose.

NexTier, Inc. (“NexTier”) is a privately-held Delaware corporation and bank holding company under the Bank Holding Company Act of 1956, as amended (“BHC Act”), and has elected to be treated as a financial holding company pursuant to the Gramm-Leach Bliley Act of 1999 (“GLBA”). NexTier is regulated by the Board of Governors of the Federal Reserve System (“FRB”). NexTier Bank, N.A. (“NexTier Bank”), NexTier’s wholly-owned bank subsidiary, is a national banking association chartered by the Office of the Comptroller of the Currency (“OCC”) and regulated by the same. Mars Bancorp, Inc. (“Mars”) is a Pennsylvania corporation and bank holding company under the BHC Act. Mars, like NexTier, is regulated by the FRB. Mars Bank (“Mars Bank”), a Pennsylvania state-chartered bank and wholly-owned bank subsidiary of Mars, is regulated by the Federal Deposit Insurance Corporation (“FDIC”) and the Pennsylvania Department of Banking and Securities (“PDBS”).

The deposit accounts of NexTier Bank and Mars Bank are each insured by the Deposit Insurance Fund of the FDIC up to applicable FDIC limits. Including its headquarters and main office in Kittanning, Pennsylvania, NexTier Bank has 27 full-service banking locations in Allegheny, Armstrong, Butler, Clearfield, Cumberland, and Westmoreland counties in Pennsylvania, and three loan production offices located in Cleveland, Ohio, Buffalo and Rochester, New York. Mars Bank’s main office is located in Mars, Pennsylvania (Butler County), and Mars also maintains five branches located across Allegheny, Butler, and Mercer counties in Pennsylvania, and two loan production offices located in Butler County, Pennsylvania and Beckley, West Virginia.

NexTier Bank and Mars Bank wish to join together as a single, nationally-chartered banking association named NexTier Bank, N.A., in order to better serve their local communities and to bring greater financial resources, financial products, and other benefits to their depositors, borrowers, customers and shareholders.

The Boards of Directors of NexTier and NexTier Bank unanimously approved the proposed merger transactions discussed herein on August 25, 2023. The Boards of Directors of Mars and Mars Bank unanimously approved the proposed merger transactions discussed herein on August 30, 2023.

Structure of Merger.

See *Confidential Exhibit 1*.

Significant Terms and Conditions.

See *Confidential Exhibit 1*.

Financing Arrangements.

See ***Confidential Exhibit 1.***

2. Indicate any other filings related to this transaction with other state and federal regulators.

We intend to submit an application on Form FR Y-3 to the Federal Reserve Bank of Cleveland pursuant to Section 3(a)(5) of the BHC Act with respect to the merger of Mars and NexTier (“FRB Application”).

We intend to submit a Bank Holding Company Application to the PDBS, pursuant to Title 7, Section 115 of the Pennsylvania Statutes (“PDBS Application”).

In connection with the submission of this Application, NexTier Bank and Mars Bank will publish notice of the proposed transaction in the *Leader Times* and the *Butler Eagle*, which are newspapers of general circulation in the communities in which the head offices of NexTier Bank and Mars Bank are located, respectively. The notices will be published in the *Leader Times* and the *Butler Eagle* on October 12, 2023, October 19, 2023, and November 7, 2023. We will send you affidavits of publication of the notices once we receive them.

Other than the FRB Application, PDBS Application, the public notices and the state corporate filings referenced above, no other filings related to this transaction will be filed with other state and federal regulators with regard to the Mergers.

3. Discuss whether and how the resultant institution's business strategy and operations will remain the same or change from that of the applicant. Identify new business lines. Provide a copy of the business plan, if available. Discuss the plan for integrating any new businesses into the resultant institution.

The business strategy and operations of the Resulting Bank will not differ materially from the business strategy and operations of NexTier Bank. The Resulting Bank’s business plan will not change materially from NexTier Bank’s business plan that has been provided to the OCC and will not include any new business lines. The Mergers will deepen NexTier Bank’s footprint in Pennsylvania with the addition of six branches in the Pittsburgh, PA Federal Reserve Banking Market.

NexTier Bank will devote sufficient management resources to acquire Mars Bank and integrate it seamlessly with NexTier Bank’s operations. NexTier Bank plans to operate a disciplined transition process, focused on building enterprise-wide capabilities and managing risk.

4. Provide a copy of (a) the executed merger or transaction agreement, including any amendments, (b) any board of directors’ resolutions related to the transaction, and (c) interim charter, names of organizers, and any other related documents.

Copies of the requested documents are attached hereto as follows:

- (a) **Confidential Exhibit 4.a.** Merger Agreement and Exhibits. Disclosure schedules to be provided upon request.
- (b) **Confidential Exhibit 4.b.:** Resolutions of the Boards of Directors of NexTier, Merger Sub, NexTier Bank, Mars and Mars Bank approving the Merger and the Bank Merger, as applicable.
- (c) Not applicable.

5. Describe any issues regarding the permissibility of the proposal with regard to applicable state or federal laws or regulations (for example, nonbank activities, branching, or qualified thrift lender test).

NexTier, NexTier Bank, Mars and Mars Bank believe that the Mergers are permissible under applicable state and Federal laws and regulations.

Although Mars currently has one nonbank insurance subsidiary (Mars Insurance Services, LLC), it has agreed to dissolve such subsidiary as a condition to close pursuant to the Merger Agreement. There are no laws or regulations that would restrict the ability of NexTier Bank to establish Mars Bank branches as NexTier Bank branches upon completion of the Mergers.

6. Describe any nonconforming or impermissible assets or activities that applicant or resultant institution may not be permitted to retain under relevant law or regulation, including the method of and anticipated time period for divestiture or disposal.

Neither of NexTier Bank or Mars Bank holds nonconforming or impermissible assets or engages in impermissible activities that NexTier Bank will not be permitted to retain or engage in as the Resulting Bank under relevant law or regulation.

7. Provide the following financial information:

- a. **Pro forma balance sheet, as of the end of the most recent quarter. Indicate separately for the applicant and target institution each principal group of assets, liabilities, and capital accounts; debit and credit adjustments (explained by footnotes) reflecting the proposed acquisition; and the resulting pro forma combined balance sheet.**
- b. **Projected balance sheets and corresponding income statements as of the end of the first three years of operation following consummation. Describe the assumptions used to prepare the projected statements.**
- c. **Provide a discussion on the valuation of the target entity and any anticipated goodwill and other intangible assets.**
- d. **Pro forma and Projected Regulatory Capital Schedule, as of the end of the most recent quarter and each of the first three years of operation, indicating:**
 - **Each component item for common equity tier 1 capital, additional tier 1 capital and tier 2 capital pursuant to the currently applicable capital requirements.**

- Total risk-weighted assets.
- Common equity tier 1 capital, tier 1 capital, total capital, and leverage ratios pursuant to the capital regulations. If applicable, also provide the applicant's existing and pro forma supplementary leverage ratio pursuant to the current capital adequacy regulations.

Please see *Confidential Exhibit 7* for the foregoing financial information.

- 8. List the directors and senior executive officers of the resultant institution and provide the name, address, position with and shares held in the resultant institution or holding company, and principal occupation (if a director). Indicate any changes to the applicant's current directors and senior executive officers that would occur at the resultant institution. Applicants should consult with the responsible regulatory agency regarding whether any biographical or financial information should be submitted with respect to any new principal shareholders, directors, and senior executive officers.**

Other than the appointment of Mr. James V. Dionise, President/CEO of Mars Bank, as a director of NexTier Bank at the effective time of the Mergers, NexTier's and NexTier Bank's directors and senior executive officers will not change as a result of the Mergers. A list of the directors and senior executive officers of NexTier and NexTier Bank after the Mergers, including their addresses, their positions with NexTier and NexTier Bank, as applicable (for senior executive officers), their principal occupations (for directors) and their shareholdings in NexTier after the Mergers, is attached hereto as *Confidential Exhibit 8*. There have been no material changes in share ownership amounts since October 4, 2023, the date used in *Confidential Exhibit 8*. None of such directors and senior executive officers will hold shares of NexTier Bank directly after the Mergers, because NexTier will continue to be the sole stockholder of NexTier Bank.

- 9. Describe any litigation or investigation by local, state, or federal authorities involving the applicant or any of its subsidiaries or the target or any of its subsidiaries that is currently pending or was resolved within the last two years.**

There has not been any significant litigation or investigation by local, state, or federal authorities involving the Applicant or any of its subsidiaries or the target or any of its subsidiaries that is currently pending or was resolved within the last two years.

- 10. Describe how the proposal will assist in meeting the convenience and needs of the community to be served, including, but not limited to, the following:**

- a. Summarize efforts undertaken or contemplated by the applicant to ascertain and address the needs of the community(ies) to be served, including community outreach activities, as a result of the proposal.**
- b. For the combining institutions, list any significant anticipated changes in services or products that will result from the consummation of the transaction.**
- c. To the extent that any products or services would be offered in replacement of any products or services to be discontinued, indicate what these are and how they would**

assist in meeting the convenience and needs of the communities affected by the transaction.

d. Discuss any enhancements in products or services expected to result from the transaction.

NexTier Bank is a locally-owned, community bank that has served and continues to serve the needs of Western Pennsylvania for 140 years. Mars Bank's service area fits squarely within the heart of NexTier's existing branch network. Mars' customers can continue to utilize existing service centers and will have extended access to all NexTier branch locations throughout the surrounding 5 county region.

NexTier Bank's philanthropy and monetary giving exceeded \$1.6 million in 2022. The primary recipients of this giving are located within the Mars Bank service area. NexTier is committed to continue supporting significant community projects and have already discussed and planned for those opportunities with Mars Bank, including funding local school information technology labs and sponsorship of community pavilions and playgrounds. NexTier Bank was proud to be recognized as Butler County Chamber's Community Champion in 2021, an award that Mars Bank received in 2023.

Mars Bank has been a leader in residential mortgages and small business lending. Many homeowners within rural Western Pennsylvania have large acreage, on-site septic systems, shallow gas wells, or manufactured houses that make it difficult to find secondary market financing. NexTier Bank's practice of originating and holding "non-conforming" mortgages provides additional opportunities for Mars Bank customers to have their residential lending needs met, with local decision-making and servicing maintained. NexTier's primary mortgage lending product, up to 90% LTV with no PMI required, helps lower upfront costs and down payments, making homeownership more attainable.

NexTier Bank also brings an established Treasury Management team to provide enhanced banking products and personalized services to small businesses and large community-based deposit customers, such as local municipalities and school districts.

The Mergers are not expected to result in any negative impact (including discontinuations) in the products and services currently offered by either institution, so the Mergers will not inconvenience or negatively affect the customers or communities of NexTier Bank or Mars Bank. The Mergers are also not expected to affect NexTier Bank's and Mars Bank's ability, together as the Resulting Bank, to continue to provide support to the community, including through the combined bank's ability to lend to eligible local borrowers. All existing deposit accounts are anticipated to be continued by NexTier and/or converted into enhanced accounts with similar or lower fees. Two of Mars' existing branches are located directly across the road from existing NexTier Bank branches. In both cases, NexTier is planning on consolidating the adjacent branches by retaining the Mars Bank location (see Item 14 for additional information). Mars Bank has maintained a one-lender mortgage origination office in Beckley, West Virginia. Applicant plans to close that LPO location, as it is not included within Applicant's operating assessment area. In addition, Mars Bank maintains a one-lender mortgage origination office in Chicora, PA. That office will be

closed, however the lender will be retained and relocated into the NexTier Bank branch, located 0.5 miles from the existing Mars LPO.

Further, NexTier Bank is committed to building upon Mars Bank's existing "Satisfactory" CRA program, and NexTier Bank will execute its existing CRA strategy after the Mergers to include CRA-qualified investments, service activities, and lending offerings to include small business, residential, and consumer loans. NexTier Bank has maintained an "Outstanding" CRA rating during its last three exam cycles.

NexTier Bank provides an excellent level of community development services and is a leader in providing community development services in its assessment areas that are responsive to the needs of the low-to-moderate income individuals and low-to-moderate income communities. NexTier Bank's responsiveness is demonstrated by the number of contributed hours, the number of employees actively involved, and the number and diversity of the types of organizations served. NexTier Bank was rated "Outstanding" overall, and under each of the Lending Test and Community Development Test as of its most recent CRA assessment.

11. Describe how the applicant and resultant institution will assist in meeting the existing or anticipated needs of its community(ies) under the applicable criteria of the Community Reinvestment Act (CRA) and its implementing regulations, including the needs of low- and moderate-income geographies and individuals. This discussion should include, but not necessarily be limited to, a description of the following:

- a. The significant current and anticipated programs, products, and activities, including lending, investments, and services, as appropriate, of the applicant and the resultant institution.
- b. The anticipated CRA assessment areas of the resultant institution. If the resultant institution's CRA assessment area would not include any portion of the current assessment area of the target or the applicant, describe the excluded areas.
- c. The plans for administering the CRA program for the resultant institution following the transaction.
- d. For an applicant or target institution that has received a CRA composite rating of "needs to improve" or "substantial noncompliance" institution-wide or, where applicable, in a state or a multistate Metropolitan Statistical Area (MSA), or has received an evaluation of less than satisfactory performance in an MSA or in the non-MSA portion of a state in which the applicant is expanding as a result of the transaction, describe the specific actions, if any, that have been taken to address the deficiencies in the institution's CRA performance record since the rating.

NexTier Bank has a strong history of commitment to meeting the convenience and needs of the communities it serves, and, after the Bank Merger, will bring this same level of commitment to the communities currently served by Mars Bank. NexTier Bank is proud of its "Outstanding" CRA rating from its last 3 exams and as of its most recent performance evaluation dated May 8, 2023, which is included as *Exhibit 11*. As recognized within the CRA performance evaluation, NexTier

Bank supports programs that address the credit needs of low to moderate income individuals and programs that promote economic development within low to moderate income communities. NexTier Bank exhibits excellent geographic and income-based distribution of loans in its assessment area. Further, NexTier Bank's community development performance exhibits excellent responsiveness to the community development needs of its assessment area through CD lending, qualified donations, investment, or services. NexTier Bank associates also engage the community by serving, supporting and volunteering with organizations that help NexTier Bank meet the credit needs of the target CRA audience. Key CRA initiatives are focused on lending, investments and services ensuring that NexTier Bank's continued high level of CRA performance and reputation as an industry leader in supporting the credit needs of its communities.

NexTier Bank partners with many school districts throughout its assessment area to provide, not only banking services, but sponsorships and donations that provide for critical needs and programs within public education. Many of these school districts have the majority of their student population eligible for free/reduced meal programs. NexTier Bank is committed to continue and expand these community-centric partnerships to help deliver "STEM" and financial literacy resources to these underfunded classrooms.

Applicant anticipates that the proposed Bank Merger will have a positive impact upon the communities and customers currently served by Mars Bank as the increase in size and scale will enable the Resulting Bank to further capitalize on certain economies of scale. The Resulting Bank will be even better positioned to develop and expand product and service offerings to meet the convenience and needs of customers and the communities. Customers and potential customers in the markets served by the Resulting Bank will benefit from a bank with a higher lending limit, increasing the availability of credit to these customers and potential customers, particularly small to mid-size businesses. Additionally, both current customers of NexTier Bank and current customers of Mars Bank will benefit from the combined, expanded branch network of the Resulting Bank, which should only serve to increase overall access to banking products and services

On consummation of the Bank Merger, NexTier Bank's CRA compliance program, policies and initiatives will be implemented at the legacy Mars Bank branches. The Applicant expects to build on Mars Bank's strong CRA performance record in its communities to further enhance NexTier Bank's existing community development efforts. Neither NexTier Bank nor Mars Bank currently has a CRA composite rating of "needs to improve" or "substantial noncompliance."

The Applicant anticipates that the CRA assessment areas of the Resulting Bank will include each of the Applicant's current CRA assessment areas as well as Mars Bank's current CRA assessment areas (Pittsburgh, PA MSA and Youngstown-Warren Boardman, OH-PA MSA, the latter of which includes Mercer County, PA).

12. The Dodd-Frank Wall Street Reform and Consumer Protection Act requires regulators to consider the risk to the stability of the United States banking and financial systems when reviewing a merger transaction between financial institutions. Discuss any effect(s) that the proposed transaction may have on the stability of the United States banking and financial systems.

Section 18(c) of the Bank Merger Act, as amended by Section 604(f) of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, 12 U.S.C. § 1828(c)(5) (“Dodd-Frank Act”), requires the federal banking agencies to take into consideration “the risk to the stability of the United States banking or financial system” in their review of transactions pursuant to the Bank Merger Act (the “Financial Stability Standard”). Considering the five factors typically used by the regulators in evaluating the Financial Stability Standard -- (i) the size of the resultant banking organization; (ii) the availability of substitute providers for any critical products and services offered by the resultant firm; (iii) the interconnectedness of the resultant firm with the banking or financial system; (iv) the extent to which the resultant firm contributes to the complexity of the financial system; and (v) the extent of the cross-border activities of the resultant firm -- the Mergers will not result in a firm that would impact the stability of the United States banking and financial systems. At the outset, the relatively small size of the Resulting Bank should be close to determinative on this issue. We note that the FRB has determined that absent evidence to the contrary, proposals that result in a firm with less than \$100 billion in total assets, are presumed not to pose systemic risks. See People’s United Financial, Inc., FRB Order No. 2017-08 at 25-26 (March 16, 2017). The Mergers would result in a firm with significantly less than \$100 billion in total assets, with the Resulting Bank having approximately \$2.8 billion in assets, and thus should be presumed not to raise material financial stability concerns. There are approximately 221 U.S. chartered commercial banks on a consolidated basis that are at least twice as large as the Resulting Bank, of which approximately 69 are at least ten times larger and 33 over 30 times larger.

There will not be a material reduction in the availability of substitute providers of the services offered by the parties, as there will continue to be numerous other banks and non-bank providers of the same services in the markets that the banks serve. Both organizations primarily offer traditional banking products and services for which there are numerous providers of each of their products and services that could continue to provide such products and services should the Resulting Bank be unable to do so as a result of severe financial distress, and the activities of both banks take place in a highly competitive environment with many banks and other financial institutions providing the same services both in local and regional markets and on a national basis.

The Mergers would not materially increase the interconnectedness of the U.S. banking or financial system. NexTier Bank does not currently and would not as a result of the Bank Merger, engage in business activities or participate in markets to a degree that would pose significant risk to other institutions, in the event of financial distress of the combined entity. In this respect, the parties together following the Mergers would not constitute a critical services provider or be so interconnected with other firms or the markets that the resulting organization would pose a significant risk to the financial system in the event of financial distress. Resulting Bank will not be engaged in “bankers’ bank” or other significant inter-bank services.

The proposed transaction will not increase the extent of cross-border activities of the combining firms as the Mergers would not involve the acquisition of any cross-border operations or activities and would not otherwise create difficulties in coordinating any resolution that would significantly increase the risk to U.S. financial stability.

The low level of complexity of the Resultant Institution’s operations would not hinder its timely and efficient resolution in the event it were to experience financial distress. Neither NexTier Bank

nor Mars Bank engage in complex activities, such as by being a core clearing and settlement organization for critical financial markets, which might complicate the resolution process by increasing the complexity, costs, or time frames involved in a resolution. To the contrary, both banks maintain relatively simple business models that, as noted above, are focused primarily on retail and commercial lending, leasing and deposit products. Thus, the Resultant Institution will not contribute to the overall complexity of the U.S. financial system.

An assessment of the foregoing in combination leads to the conclusion that the interaction of these metrics would not exacerbate the very low level of risk suggested by analyzing the metrics individually. Moreover, the stabilizing effects of a stronger, more diverse balance sheet and enhanced earnings capacity should also mitigate any potential concerns regarding risks posed by the combined institution to the stability of the U.S. financial system.

In view of the foregoing, the Mergers will not result in greater or more concentrated risks to the stability of the U.S. banking or financial system and, therefore, the considerations relating to financial stability are consistent with approval of the Mergers.

13. The Riegle-Neal Interstate Banking and Branching Efficiency Act of 1994 (12 U.S.C. § 1831u) (R-N) imposes additional considerations for certain interstate mergers between insured banks. Savings associations are not subject to R-N. If subject to these provisions, please provide the following information:

- a. Identify any host states involved with this transaction that require the target to be in operation for a minimum number of years and discuss compliance with the R-N age requirement (12 U.S.C. § 1831u(a)(5)).**
- b. Indicate that (1) the applicant has complied or will comply with the applicable filing requirements of any host state(s) that will result from the transaction and (2) the applicant has sent a copy of the merger application to the state bank supervisor of the resultant host state(s).**
- c. Indicate applicability of R-N nationwide and statewide deposit concentration limits to the transaction. If applicable, discuss compliance.**
- d. Indicate applicability of state-imposed deposit caps, if any. If applicable, discuss compliance.**
- e. Address whether: (1) Each bank involved in the transaction is adequately capitalized on the date of filing, and (2) The resultant institution will be well capitalized and well managed upon consummation of the transaction.**
- f. Discuss compliance with the CRA requirement of R-N.**
- g. Discuss permissibility of retention of the target's main office and branches.**
- h. Discuss any other restrictions that the host states seek to apply (including state antitrust restrictions).**

The merger between NexTier Bank and Mars Bank is not an interstate merger because it involves a national bank with branches located only in Pennsylvania and a Pennsylvania state-chartered bank with branches located only in Pennsylvania. Therefore, the requirements of the Riegle-Neal Act are not applicable to the Bank Merger.

14. List all offices of the applicant or target that: (a) will be established or retained as branches, including the main office, of the target institution, (b) are approved but unopened branch(es) of the target institution, including the date the current federal and state agencies granted approval(s), and (c) are existing branches that will be closed or consolidated as a result of the proposal (to the extent the information is available) and indicate the effect on the branch customers served. For each branch, list the popular name, street address, city, county, state, and zip code, specifying any that are in low- and moderate income geographies.¹

(a)

Upon consummation of the Mergers, NexTier Bank expects that the below offices of Mars Bank will be retained as branch offices:

Name	Address	County	LMI
Mars Branch	145 Grand Ave Mars, PA 16046	Butler	No
Richland Branch	5552 William Flynn Hwy Gibsonia, PA 15044	Allegheny	No
Cranberry Branch	20246 Route 19 Cranberry Township, PA 16066	Butler	No
Penn Township Branch	600 Pittsburgh Road Penn Township, PA 16002	Butler	No
Heritage Creek Branch	211 Scharberry Ln Mars, PA 16046	Butler	No
Grove City Branch	109 S Broad St Grove City, PA 16127	Mercer	No

(b)

Neither NexTier Bank nor Mars Bank currently has any approved but unopened branches.

¹ Please designate branch consolidations as those terms are used in the Joint Policy Statement on Branch Closings, 64 FR 34844 (June 29, 1999).

(c)

NexTier Bank expects that the following NexTier Bank branches will be closed and consolidated with existing Mars bank branches as a result of the Mergers. NexTier Bank's Northtowne Branch will be consolidated with Mars Bank's Richland Branch and NexTier Bank's Cranberry Office Branch will be consolidated with Mars Bank's Cranberry Branch. Each such consolidated office is a "short-distance" relocation pursuant to 12 C.F.R 5.3, as each consolidation is within a one-mile radius of the site, and the branch is not located within a principal city, but is located within an MSA.

Name	Address	County	LMI
Northtowne Branch	101 Northtowne Sq Gibsonia, PA 15044	Allegheny	No
Cranberry Office Branch	20249 Route 19 Cranberry Township, PA 16066	Butler	No

NexTier does not have any immediate plans to close any Mars Bank branch offices following the Mergers.

However, Mars Bank is in the process of closing the below LPOs, and anticipates such closings will occur prior to consummation of the Mergers.

Name	Address	County	LMI
Chicora LPO*	522b N Main St Chicora, PA 16025	Butler	No
Beckley, WV LPO*	101 Ramey Court Beckley, WV 25801	Raleigh, WV	Moderate

*Denotes a loan production office.

15. As a result of this transaction, if the applicant will be or will become affiliated with a company engaged in insurance activities that is subject to supervision by a state insurance regulator, provide:

a. The name of the company.

Not applicable.

- b. A description of the insurance activity that the company is engaged in and has plans to conduct.**

Not applicable.

- c. A list of each state and the lines of business in that state in which the company holds, or will hold, an insurance license. Indicate the state where the company holds a resident license or charter, as applicable.**

Not applicable.

If this is a nonaffiliate transaction, the applicant also must reply to items 16 through 18.

- 16. Discuss the effects of the proposed transaction on existing competition in the relevant geographic market(s) where the applicant and the target institution operate. The applicant should contact the responsible regulatory agency for specific instructions to complete the competitive analysis.**

The effects of the proposed merger of NexTier Bank and Mars Bank on existing competition will be nominal. Including its headquarters and main office in Kittanning, Pennsylvania, NexTier Bank has 27 full-service banking locations in Allegheny, Armstrong, Butler, Clearfield, Cumberland, and Westmoreland counties in Pennsylvania and three loan production offices located in Cleveland, Ohio, Buffalo and Rochester, New York. Mars Bank's main office is in Mars, Pennsylvania (Butler County), with an additional five branches located across Allegheny, Butler, and Mercer counties in Pennsylvania, and two loan production office in Butler County, Pennsylvania and Beckley, WV. NexTier Bank has locations in the following Federal Reserve Banking Markets in Pennsylvania: (1) Clearfield County-Jefferson County; (2) Harrisburg; and (3) Pittsburgh. Mars Bank has locations in the following Federal Reserve Banking Markets in Pennsylvania: (1) Pittsburgh; and (2) Sharon.

The only Federal Reserve Banking Market in which NexTier Bank and Mars Bank overlap is the Pittsburgh Federal Reserve Banking Market ("Overlapping Banking Market"). NexTier Bank and Mars Bank do not compete in the other markets in which NexTier Bank operates, so NexTier Bank does not expect that there would be any changes in competition in these other markets as a result of the Mergers. As a result, NexTier Bank has concluded that the Overlapping Banking Market is the only appropriate geographic market for purposes of analyzing the potential competitive effects of the proposed Merger.

As demonstrated by *Exhibit 16* hereto, as of August 20, 2023 (the date the Exhibit 16 report was obtained), the Overlapping Banking Market consisted of 49 total institutions (including NexTier Bank and Mars Bank) and 730 banking offices. The Herfindahl-Hirschman Index ("HHI") for weighted deposits for the Overlapping Banking Market after the Merger would be 2,626 (an increase of 0 from the pre-merger HHI for weighted deposits) continuing its classification as a competitive market. With 48 institutions in the market post-merger, members of the community will continue to have many choices for banking services in the market. NexTier Bank's weighted deposits market share in the Overlapping Banking Market post-Merger would be approximately 0.89%. The pre-Merger weighted deposits market share in the Overlapping Banking Market is 0.69% for NexTier Bank and 0.20% for Mars Bank. As a result, Applicant believes that the

proposed Merger will not have a significant impact on the level of competition in banking services within the Overlapping Banking Market.

In addition to the above, NexTier also faces competition from credit unions within the Overlapping Banking Market. Clearview Federal Union and ARMCO represent the largest of many area credit unions providing additional competition within retail and business segments. Clearview is based in Allegheny and Butler Counties with 20 locations throughout Applicant's service area. Clearview represents over 100,000 members totaling \$1.8 billion in assets. ARMCO Credit Union boasts 33,000 members and assets over \$500 million. These credit unions promote easy paths to membership through loose affiliations with sponsor organizations that permit membership and financial services to the vast majority of consumer and small businesses within the Applicant's service area. Within today's economic environment, these credit unions are pricing more competitively for deposit accounts and small business lending opportunities.

Please see *Exhibit 16* for additional details regarding the competition analysis of the proposed Merger.

17. If the proposed transaction involves a branch sale or any other divestiture of all or any portion of the bank, savings association or nonbank company (in the case of a merger transaction under 12 U.S.C. § 1828(c)(1)) to mitigate competitive effects, discuss the timing, purchaser, and other specific information.

Not applicable.

18. Describe any management interlocking relationships (12 U.S.C. §§ 3201-3208) that currently exist or would exist following consummation. Include a discussion of the permissibility of the interlock with regard to relevant laws and regulations.

There are no management interlocking relationships that currently exist or would exist following consummation of the Merger.


CERTIFICATION

We hereby certify that our board of directors, by resolution, has authorized the filing of this application, and that to the best of our knowledge, it contains no misrepresentations or omissions of material facts. In addition, we agree to notify the responsible regulatory agency if the facts described in the filing materially change prior to receiving a decision or prior to consummation. Any misrepresentation or omission of a material fact constitutes fraud in the inducement and may subject us to legal sanctions provided by 18 U.S.C. §§ 1001 and 1007.

We acknowledge that approval of this application is in the discretion of the responsible regulatory agency. Actions or communications, whether oral, written, or electronic, by an agency or its employees in connection with this filing, including approval of the application if granted, do not constitute a contract, either express or implied, or any other obligation binding upon the responsible regulatory agency, other federal banking agencies, the United States, any other agency or entity of the United States, or any officer or employee of the United States. Such actions or communications will not affect the ability of any federal banking agency to exercise its supervisory, regulatory, or examination powers under applicable law and regulations. We further acknowledge that the foregoing may not be waived or modified by any employee or agent of a federal banking agency or of the United States.

Signed this 5 day of October, 2023.

NexTier Bank, N.A.
(Applicant)

by: 
Cleman C. Rosenberger, III
President and Chief Executive Officer

Mars Bank
(Target Institution)

by: _____
James V. Dionise
President and Chief Executive Officer

CERTIFICATION

We hereby certify that our board of directors, by resolution, has authorized the filing of this application, and that to the best of our knowledge, it contains no misrepresentations or omissions of material facts. In addition, we agree to notify the responsible regulatory agency if the facts described in the filing materially change prior to receiving a decision or prior to consummation. Any misrepresentation or omission of a material fact constitutes fraud in the inducement and may subject us to legal sanctions provided by 18 U.S.C. §§ 1001 and 1007.

We acknowledge that approval of this application is in the discretion of the responsible regulatory agency. Actions or communications, whether oral, written, or electronic, by an agency or its employees in connection with this filing, including approval of the application if granted, do not constitute a contract, either express or implied, or any other obligation binding upon the responsible regulatory agency, other federal banking agencies, the United States, any other agency or entity of the United States, or any officer or employee of the United States. Such actions or communications will not affect the ability of any federal banking agency to exercise its supervisory, regulatory, or examination powers under applicable law and regulations. We further acknowledge that the foregoing may not be waived or modified by any employee or agent of a federal banking agency or of the United States.

Signed this **5th** day of October, 2023.

NexTier Bank, N.A.
(Applicant)

by: _____
Cleman C. Rosenberger, III
President and Chief Executive Officer

Mars Bank
(Target Institution)

by:  _____
James V. Dionise
President and Chief Executive Officer

SUPPLEMENT TO INTERAGENCY BANK MERGER ACT APPLICATION

Comptroller of the Currency

All OCC applicants should provide the following supplemental information with their application:

19a. If any of the combining institutions have entered into commitments with community organizations, civic associations, or similar entities concerning providing banking services to the community, describe the commitment.

None.

19b. If the resultant institution will not assume the obligations entered into by the target institution, explain the reasons and describe the impact on the communities to be affected.

Not applicable.

20. If acquiring a non-national bank subsidiary, provide the information and analysis of the subsidiary's activities that would be required if it were established pursuant to 12 C.F.R. § 5.34 or 5.39.

Not applicable. NexTier Bank will not acquire any subsidiaries in the Mergers.

REQUEST FOR CONFIDENTIAL TREATMENT UNDER THE FREEDOM OF INFORMATION ACT

NexTier, NexTier Bank, Mars and Mars Bank hereby request that the OCC and any other Federal or state banking authorities accord confidential treatment to the materials contained in the accompanying confidential exhibits volume (the “Confidential Information”) in accordance with the OCC’s regulations, applicable state regulations and applicable exemptions from the Freedom of Information Act (“FOIA”). The materials contained in the confidential exhibits volume include confidential commercial, financial and personal information that is not otherwise publicly available the disclosure of which would likely cause significant harm to NexTier, NexTier Bank, Mars and/or Mars Bank. Examples of this type of information include the business strategies of the institutions, the pro forma and projected financial statements of the combining institutions and other sensitive confidential business information. As such, these materials are exempt from the public disclosure requirements of, and are entitled to confidential treatment under, 5 U.S.C. § 552(b).

The Confidential Information contains confidential business, commercial, and financial information, the release of which would be competitively harmful to NexTier’s, NexTier Bank’s, Mars’ and Mars Bank’s businesses. Under 5 U.S.C. § 552(b)(4), confidential information that contains “trade secrets and commercial or financial information” is exempt from FOIA’s disclosure rules. Accordingly, the Confidential Information is exempt from disclosure under FOIA and applicable OCC regulations because it pertains to NexTier’s, NexTier Bank’s, Mars’ and Mars Bank’s business operations, internal management functions and the non-public financial projections, and is thus proprietary information for which disclosure could cause competitive harm to NexTier, NexTier Bank, Mars and Mars Bank and their respective shareholders.

If the OCC receives a request for Confidential Information, we respectfully request that we be given notice and time to expand our submission as to the confidential nature of the Confidential Information. We further request that we be notified promptly of any FOIA or other request for information contained in or enclosed with this application or the application itself.

PUBLIC VOLUME EXHIBITS

EXHIBIT 11

NexTier Bank CRA Performance Evaluation



Office of the
Comptroller of the Currency
Washington, DC 20219

INTERMEDIATE SMALL BANK

PUBLIC DISCLOSURE

May 8, 2023

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

NexTier Bank, N.A.
Charter Number 5073

222 Market Street
Kittanning, PA 16201

Office of the Comptroller of the Currency

Corporate One Office Park Bldg. 2
4075 Monroeville Boulevard, Suite 430
Monroeville, PA 15146

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.



INTERMEDIATE SMALL BANK

Table of Contents

Overall CRA Rating.....	2
Description of Institution.....	3
Scope of the Evaluation.....	4
Discriminatory or Other Illegal Credit Practices Review.....	5
State Rating.....	6
Lending Test.....	9
Community Development Test	10
Appendix A: Scope of Examination.....	A-1
Appendix B: Summary of MMSA and State Ratings.....	B-1
Appendix C: Definitions and Common Abbreviations.....	C-1
Appendix D: Tables of Performance Data.....	D-1

Overall CRA Rating

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

The lending test is rated: Outstanding

The community development test is rated: Outstanding

The major factors that support this rating include:

- The Lending Test rating is based on the excellent geographic distribution of home mortgage loans and a reasonable distribution of home mortgage loans among borrowers of different income levels.
- The Community Development Test rating is based on excellent responsiveness to community development needs in its assessment areas (AAs).
- The average loan-to-deposit (LTD) ratio is more than reasonable, given the bank's size, financial condition, and the credit needs of the bank's AAs.
- A majority of the bank's home mortgage lending activity is originated within its delineated AAs.

Loan-to-Deposit Ratio

Considering the bank's size, financial condition, and credit needs of the AAs, the bank's LTD ratio is more than reasonable.

NexTier Bank, N.A.'s (NexTier or 'the bank') average quarterly LTD ratio for the evaluation period of January 1, 2019, to December 31, 2021, was 92.6 percent. The LTD ratio was calculated on a bank-wide basis. NexTier's quarterly average LTD ratio ranged from a low of 77.7 percent in the third quarter of 2021, to a high of 101.9 percent in the first quarter of 2020. The variance in the bank's LTD ratio was primarily caused by the economic impacts of the COVID-19 pandemic as many institutions experienced an influx in deposits which resulted in decreased LTD ratios.

We compared the bank's LTD ratio to nine institutions of similar asset size, location, and product offerings. The peer group's average LTD ratio during the evaluation period was 84.2 percent, with a quarterly average low of 48.3 percent and a quarterly average high of 132.4 percent.

Lending in Assessment Area

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

The bank originated and purchased 69.9 percent of its total loans by number inside the bank's AAs during the evaluation period. This analysis is performed at the bank level rather than the AA level and resulted in a positive impact on the bank's overall geographic distribution of lending by income. The table below illustrates the number and dollar volume of loans the bank originated inside and outside of its AAs.



INTERMEDIATE SMALL BANK

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		
	#	%	#	%		\$	%	\$	%	
Home Mortgage										
2019	352	66.8	175	33.2	527	68,880	59.2	47,516	40.8	116,396
2020	334	69.4	147	30.6	481	71,464	67.0	35,199	33.0	106,663
2021	337	73.9	119	26.1	456	100,086	75.3	32,776	24.7	132,861
Subtotal	1,023	69.9	441	30.1	1,464	240,429	67.6	115,490	32.4	355,920
Total	1,023	69.9	441	30.1	1,464	240,429	67.6	115,490	32.4	355,920
Source: Bank Data Due to rounding, totals may not equal 100.0%										

Description of Institution

NexTier is an independently owned intrastate community bank, headquartered in Butler, Pennsylvania. NexTier is a wholly owned subsidiary of NexTier, Inc. According to the Reports of Condition and Income, the bank's assets totaled \$1.9 billion as of December 31, 2021, and tier 1 capital totaled \$168.3 million, or 8.8 percent of total assets. As of year-end 2020 and 2019, the bank's assets totaled \$1.65 billion and \$1.4 billion, respectively. The bank's primary product is home mortgage loans for the purpose of this evaluation, but also originates commercial loans. As of December 31, 2022, the bank's loan portfolio totaled \$1.53 billion, comprised of residential real estate loans (\$559.0 million, or 36.3 percent), commercial real estate loans (\$495.9 million 32.2 percent), consumer (\$185.7 million or 12.1 percent), commercial and industrial (\$122.0 million or 7.9 percent), construction (\$111.1 million or 7.2 percent) and other loans (\$64.5 million or 4.2 percent). The bank's strategy is to continue to originate residential mortgages and commercial loans in their market areas. There was no merger or acquisition activity during the evaluation period. NexTier offers a range of traditional deposit and loan products and services. The bank's retail products include checking accounts and savings programs. NexTier's loan products include home mortgages, home equity loans, home equity lines of credit, consumer, commercial, and agricultural loans. The bank also offers internet banking.

During the evaluation period, the bank operated primarily in Pennsylvania and is evaluated as a single state institution. NexTier identified three separate AAs in the state of Pennsylvania, which are the Western Pennsylvania AA (Western PA AA), the Camp Hill AA, and the Dubois AA. The Western PA AA is contained within the Pittsburgh PA Metropolitan Statistical Area (MSA) (#38300). The Western PA AA consists of all of Allegheny, Armstrong, and Butler Counties, and includes portions of Westmoreland County, which are contiguous to the other counties. The Western PA AA does not include the other counties in the Pittsburgh PA MSA (Beaver, Fayette, and Washington), as the bank does not operate any branches or deposit taking locations within these counties. The Western PA AA meets the regulatory requirements of an AA and does not arbitrarily exclude low- and moderate-income geographies.



INTERMEDIATE SMALL BANK

The Camp Hill and the Dubois AAs are new for the bank as of this evaluation. The Camp Hill AA consists of portions of Cumberland County and Dauphin County and is within the Harrisburg-Carlisle MSA (#25420). The bank added the Camp Hill AA after the opening of the Camp Hill branch in April 2019, which was previously a loan production office. The Dubois AA consists of the entirety of Clearfield County and is not part of an MSA. The bank added the Dubois AA after the opening of the Dubois branch in November 2020.

As of December 31, 2021, NexTier operated thirty full-service branches in the state of Pennsylvania. The bank also operated two loan production offices in Erie, PA, and Cleveland, Ohio. Twenty-eight of the bank's branches (93 percent) are located within the Western PA AA. Of the branches within the Western PA AA, seven branches are located within moderate-income census tracts (CT), one is located within a low-income CT, and one is located within an unknown CT. The remaining 19 branches are located within middle- or upper-income CTs. Twenty-seven branches have ATMs, and 22 branches have drive-up services. NexTier opened one new branch in the Western PA AA during the evaluation period in Ford City (June 2019). The Camp Hill AA and the Dubois AA each have one branch within the AA located within a middle-income CT, and each have an ATM.

There are no legal, financial, or other factors impeding the bank's ability to help meet the credit needs of its AAs. The bank received an "Outstanding" rating on their previous CRA performance evaluation dated February 18, 2020.

Scope of the Evaluation

Evaluation Period/Products Evaluated

This performance evaluation assesses NexTier's record of meeting the credit needs within its AAs. OCC examiners performed this review using Intermediate Small Bank CRA procedures, which includes a Lending Test and Community Development (CD) test. The lending test evaluates the bank's record of meeting the credit needs of its AAs through lending activities, including to low- and moderate-income borrowers and geographies. The CD Test evaluates the bank's responsiveness to CD needs in the bank's AAs through qualified lending, investments and donations, and services. Examiners used supporting information during the evaluation including the 2015 American Community Survey (ACS) data, internal bank records, deposit market share data, and data from governmental websites regarding the characteristics and economy of the bank's AAs.

The bank's primary loan product over the evaluation period of January 1, 2019, to December 31, 2021, was home mortgage loans. To evaluate the bank's performance under the Lending Test, we reviewed home mortgage loan originations. To evaluate the bank's performance under the CD Test, we evaluated the bank's loans, investments and donations, and services that satisfied the definition of CD. Both analyses took into consideration the economic, financial, and environmental factors that impact the bank's CRA performance.



Selection of Areas for Full-Scope Review

NexTier delineated three AAs, the Western PA AA, the Camp Hill AA and the Dubois AA. OCC examiners performed a full-scope review of the Western PA AA and limited scope reviews of the Camp Hill and Dubois AAs. Please refer to *Appendix A, Scope of Examination*, for more information.

Ratings

NexTier's overall rating is based on the state of Pennsylvania. The bank's performance in the Western PA AA carried the greatest weight as this AA represented the majority of home mortgage lending activities by both dollar amount and by volume during the evaluation period. Additionally, most of the bank's operations are located within the Western PA AA. The state ratings are 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 (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 Pennsylvania

CRA rating for the State of Pennsylvania: Outstanding

The Lending Test is rated: Outstanding

The Community Development Test is rated: Outstanding

The major factors that support this rating include:

- The bank exhibits excellent responsiveness to CD needs in the state through CD loans, qualified investments and donations, and CD services.
- The bank's geographic distribution of home mortgage loans is excellent.
- The bank's distribution of home mortgages loans among individuals of different income levels is reasonable.
- There were no complaints received by the bank or the agency since the prior examination regarding the bank's performance in meeting the credit needs of their established AAs.

Description of Institution's Operations in Pennsylvania

NexTier only maintains branches within the state of Pennsylvania within its three AAs; therefore, there is no difference in the description of the institution's operations at the overall and state level. Please refer to the overall Description of the Institution section and Appendix A for additional information. The bank's performance in the Western PA AA, located within the Pittsburgh PA MSA, carried the greatest weight, and received a full-scope review as it represented the majority of home mortgage lending activity by both dollar amount and volume of loans during the evaluation period. The Camp Hill and Dubois AAs were subject to limited-scope reviews.

The U.S. Bureau of Labor Statistics reported unadjusted unemployment rates for the Pittsburgh PA MSA at 3.8 percent as of December 31, 2021. The Pittsburgh PA MSA's unemployment rate slightly exceeded the national unadjusted unemployment rate of 3.7 percent but was below the state unadjusted employment rate of 4.6 percent as of December 31, 2021. Unemployment rates decreased in 2021 as the impact caused by the COVID-19 pandemic subsided. Unemployment rates reached a high of 15.8 percent in the MSA during April 2020, which was consistent with the state of Pennsylvania's unemployment rate of 16.2 percent, and the national unemployment rate of 14.4 percent during the same period.

For the Western PA AA, the 2015 U.S. Census reports a total population of 1.58 million, total families of 403,868, and total households of 672,838. Of the 403,868 families, 5.23 percent are low-income, 16.18 percent are moderate-income, 44.89 percent are middle-income, and 33.66 percent are upper-income. The 2015 U.S. Census reports the AA median family income to be \$69,624 and the median housing value at \$141,816. Overall, median housing values are approximately 1.8 times the median family income in the AA.



INTERMEDIATE SMALL BANK

The Western PA AA meets the requirement of the CRA and does not arbitrarily exclude any low- or moderate- income CTs. The Western PA AA is comprised of the complete counties of Allegheny, Armstrong, and Butler, and contiguous portions of Westmoreland County. According to 2015 U.S. Census data and 2021 D&B Data, the Western PA AA contains 491 CTs, with 50 low-income CTs, 104 moderate-income CTs, 198 middle-income CTs, 124 upper-income CTs, and 15 CTs that have not been assigned an income classification. Within the Western PA AA, there are two underserved middle-income tracts located within Allegheny County.

Home ownership for low- to moderate-income (LMI) borrowers in the Western PA AA may be difficult due to high median housing prices compared to median family income. According to the 2015 ACS US Census, the median housing value was \$141.8 thousand. The maximum LMI annual income calculations are based on 50 percent and 80 percent of the adjusted median family income for the AA, respectively. Overall, median housing values are approximately two times the median family income and approximately four times the low-income family's median income in the AA. Additionally, the COVID-19 pandemic further exacerbated existing challenges for low-income borrowers to purchase a home as the inventory of homes available for sale declined and home prices increased, driven by historically low mortgage interest rates.

There are limited opportunities for residential mortgage lending in LMI CTs within the AA. Of the 491 CTs in the AA, only 10.2 percent are within low-income geographies. Additionally, there is a lower number of housing units within the LMI CTs compared to middle- and upper-income CTs. There are 745,430 total housing units in the AA, of which 61.0 percent are owner-occupied, 29.3 percent are renter-occupied, and 9.7 percent are vacant housing units. Owner occupied units in LMI income CTs represent 18.0 percent of total owner-occupied units in the AA, compared to 82.0 percent in middle- and upper-income CTs. These AA demographic factors significantly impact housing affordability and corresponding residential mortgage loan demand from LMI AA residents.

Banking competition within the AAs is high. According to the June 30, 2021, FDIC Deposit Market Share Report, there are 44 financial institutions serving the four counties across the Western PA AA. The bank is ranked twelfth in terms of deposit market share, with 0.73 percent of total deposits. The top five institutions in the June 2021 market share report have a market share of 82.25 percent and include PNC Bank, N.A., The Bank of New York Mellon, BNY Mellon, N.A., Citizens Bank, N.A., and Tristate Capital Bank.

As part of this performance evaluation, we considered information obtained from one community contact within the AA to gain an understanding of the community development needs and credit opportunities of the AA. The community organization focuses on housing needs for LMI individuals and families and specializes in rehabilitation and redevelopment projects as well as new home construction. The organization noted that there is a shortage of affordable housing, specifically for first-time homebuyers.

INTERMEDIATE SMALL BANK

Demographic Information of the Assessment Area						
Assessment Area: NexTier Bank - Western PA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	491	10.2	21.2	40.3	25.3	3.1
Population by Geography	1,582,928	6.0	17.3	43.8	32.0	0.8
Housing Units by Geography	745,430	7.1	19.5	44.2	29.1	0.2
Owner-Occupied Units by Geography	454,286	3.3	14.7	46.9	35.1	0.0
Occupied Rental Units by Geography	218,552	12.1	26.2	40.8	20.5	0.5
Vacant Units by Geography	72,592	15.3	29.3	37.8	17.3	0.4
Businesses by Geography	169,396	5.4	13.4	38.3	41.8	1.2
Farms by Geography	3,379	2.6	10.8	53.1	33.4	0.1
Family Distribution by Income Level	403,868	20.4	16.6	20.0	43.1	0.0
Household Distribution by Income Level	672,838	24.7	15.1	16.8	43.4	0.0
Median Family Income MSA - 38300 Pittsburgh, PA MSA		\$69,624	Median Housing Value			\$141,816
			Median Gross Rent			\$793
			Families Below Poverty Level			8.4%
Source: 2015 ACS and 2021 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.						

Scope of Evaluation in Pennsylvania

This analysis reflects a full-scope review of the bank's lending and CD activities in the Western PA AA, and limited scope reviews of the DuBois AA and the Camp Hill AA. To develop our conclusions, we considered factors within the AA community profile that would impact the bank's ability to lend, such as demographic, economic, and market share information. We also considered the number of home mortgage loans originated or purchased during the review period. Equal weight was placed on the Lending Test and the Community Development Test. Refer to *Appendix A - Scope of Examination*, for more information on this AA.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN PENNSYLVANIA

LENDING TEST

The bank's performance under the Lending Test in Pennsylvania is rated Outstanding.

Conclusions for Area Receiving a Full-Scope Review

Based on a full- scope review, the bank's lending performance in the Western PA AA is excellent.

Distribution of Loans by Income Level of the Geography

The bank exhibits excellent geographic distribution of home mortgage loans in the state.

Home Mortgage Loans

Refer to Table O in the state of Pennsylvania 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.

The bank's geographic distribution of home mortgage loans reflects an excellent distribution in the Western PA AA. The bank's percentage of home loans to borrowers in low-income CTs within the AA is 3.4 percent, which exceeds both the percentage of owner-occupied housing units of 3.3 percent and the peer aggregate percentage in the AA of 1.6 percent. The bank's percentage of home loans to borrowers in moderate-income CTs within the AA is 21.2 percent, which exceeds both the percentage of owner-occupied housing units of 14.7 percent and the peer aggregate percentage in the AA of 10.3 percent.

Distribution of Loans by Income Level of the Borrower

The bank exhibits a reasonable distribution of loans to individuals of different income levels.

Home Mortgage Loans

Refer to Table P in the state of Pennsylvania 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.

The bank exhibits a reasonable distribution of home mortgage loans to individuals of different income levels. The percentage of home mortgage loans to low-income borrowers of 6.6 percent was below the distribution of low-income families in the AA of 21.4 percent and near the percentage of aggregate bank lending of 7.9 percent. The percentage of home mortgages loans to moderate income borrowers of 16.1 percent was near the distribution of moderate-income families living in the AA of 16.6 percent and 17.0 percent of aggregate bank lending.



INTERMEDIATE SMALL BANK

When determining conclusions, examiners considered multiple factors related to the bank's performance lending to low-income borrowers compared to the distribution of low-income families. As discussed in the Description of Institution's Operations in Pennsylvania section, high median housing costs in relation to median family income may cause difficulties for LMI borrowers. Additionally, the COVID-19 pandemic further exacerbated existing challenges for low-income borrowers. Based on the data in the tables along with the performance context factors previously discussed, including the increasing unaffordability of housing for low-income households driven by historically low mortgage interest rates, and the high level of unemployment in the AA during the COVID-19 pandemic, examiners found the bank's overall performance under the Lending Test in Pennsylvania to be outstanding.

Responses to Complaints

There were no complaints received by the bank or the agency since the prior examination regarding performance in meeting the credit needs of the bank's established AAs within the state of Pennsylvania.

Conclusions for Area Receiving a Limited Scope Review

Based on limited-scope reviews, the bank's performance under the Lending Test in the Dubois AA and the Camp Hill AA is weaker than the bank's overall performance under the Lending Test in the full scope area. Performance differences in the limited-scope areas did not impact the overall conclusions for the state of Pennsylvania, as 95.5 percent of the bank's mortgage loans made within the three AAs were made within the Western PA AA.

The bank did not have any loans during the performance period in low-income census tracts in the Camp Hill and Dubois AAs. The bank's percentage of home loans to borrowers in moderate-income CTs within the Camp Hill AA is 12.0 percent, which is below the percentage of owner-occupied housing units of 12.8 percent, but exceeds the peer aggregate percentage in the AA of 11.3 percent. The bank's percentage of home loans to borrowers in moderate-income CTs within the Dubois AA is 4.8 percent, which is below the percentage of owner-occupied housing units of 7.6 percent and the peer aggregate percentage in the AA of 6.5 percent.

The bank did not have any loans during the performance period to low-income borrowers in the Camp Hill and Dubois AAs. The bank's percentage of home loans to moderate-income borrowers in the Camp Hill AA is 0.0 percent, which is below the percentage of owner-occupied housing units of 17.6 percent and the peer aggregate percentage in the AA of 19.0 percent. The bank's percentage of home loans to moderate-income borrowers in the Dubois AA is 9.5 percent, which below the percentage of owner-occupied housing units of 19.3 percent and the peer aggregate percentage in the AA of 18.8 percent.

COMMUNITY DEVELOPMENT TEST

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

Based on the full-scope review of the Western PA AA, the bank exhibits excellent responsiveness to CD needs in the AA through CD loans, qualified investments and donations, and CD services, as appropriate.



INTERMEDIATE SMALL BANK

This assessment considered the bank's capacity and the need and availability of such opportunities for CD in the bank's AAs.

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 and the Small Business Administration (SBA) Paycheck Protection Program (PPP) Lending Program, that also qualify as CD loans.

Community Development Loans				
Assessment Area	Total			
	#	% of Total #	\$ (000's)	% of Total \$
Western PA (Full Scope)	786	96.1%	\$92,883	91.3%
Camp Hill (Limited Scope)	21	2.6%	\$3,580	3.5%
DuBois (Limited Scope)	11	1.3%	\$5,276	5.2%

NexTier provided an excellent level of qualified loans that were responsive to the CD needs of the AA. During the evaluation period, the bank originated 786 CD loans within the AA totaling \$92.9 million, representing 55.2 percent of tier 1 capital as of December 31, 2021. The bank actively helped sustain operations of local businesses by participating in the SBA PPP Lending Program, which allowed these businesses to maintain employment of their workforce during the COVID-19 pandemic. NexTier's participation resulted in the origination of 735 qualifying PPP loans totaling \$57.4 million within the Western PA AA. Additionally, NexTier originated 25 qualifying PPP loans in the bank's other AAs, totaling \$1.2 million, and 169 qualifying PPP loans, totaling \$21.6 million, outside of the bank's AAs. Including loans made outside of the bank's AA, NexTier originated 1,001 CD loans totaling \$138.3 million.

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)
Western Pennsylvania	2	\$1,940	17	\$6,584	19	100%	\$8,524	100%	\$1,940

* 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.

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



INTERMEDIATE SMALL BANK

The bank's level of qualified investments and donations demonstrates excellent responsiveness to the CD needs of its AA. During the evaluation period, the bank made 19 investments totaling approximately \$8.5 million in the Western PA AA. Examples of NexTier's investments include:

- \$516 thousand to an agency that works to provide affordable homeownership and rental apartments options for LMI families.
- \$400 thousand to support free lunch programs during the school year for the West Allegheny school district.
- \$1.0 million for capital improvements to revitalize bridges, streets, etc. in Allegheny County.

NexTier also made an additional 255 donations totaling \$1.8 million across the bank's three AAs. NexTier also made 35 donations totaling \$242.4 thousand outside of the AA, but within the state of Pennsylvania.

Extent to Which the Bank Provides Community Development Services

The bank has excellent responsiveness in providing CD services within the Western PA AA. Bank management and employees spent a significant number of hours providing financial and technical expertise to 12 separate organizations that either provide community services to LMI individuals and families, support affordable housing, or promote economic development within their AA. NexTier staff also dedicated 634 hours during the evaluation period towards CD services in the AA. Examples of the bank's CD services included members of management serving on the boards of a CD corporation and a nonprofit organization that works to provide affordable housing in their community.

Conclusions for Areas Receiving Limited Scope Reviews

Based on limited-scope reviews, the bank's performance under the CD Test in the Dubois AA and the Camp Hill AA is weaker than the bank's overall performance under the CD Test in the full scope area(s). Performance differences in the limited-scope areas did not impact the overall conclusions for the state of Pennsylvania as the majority of the bank's operations are located within the Western PA AA. The bank had six donations in the Camp Hill AA totaling \$23.8 thousand, and 35 donations in the Dubois AA totaling \$31.0 thousand.

Appendix A: Scope of Examination

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

Time Period Reviewed:	January 1, 2019 to December 31, 2021	
Bank Products Reviewed:	Home mortgage Community development loans, qualified investments, community development services	
Affiliate(s)	Affiliate Relationship	Products Reviewed
N/A	N/A	N/A
List of Assessment Areas and Type of Examination		
Rating and Assessment Areas	Type of Exam	Other Information
Pennsylvania	Full-Scope	
Western PA AA	Full-Scope	<i>Part of the Pittsburgh PA MSA</i>
Camp Hill AA	Limited-Scope	<i>Part of the Harrisburg-Carlisle MSA</i>
Dubois AA	Limited Scope	<i>Non-MSA</i>



Appendix B: Summary of MMSA and State Ratings

RATINGS		NexTier Bank	
Overall Bank:	Lending Test Rating*	CD Test Rating	Overall Bank/State/Multistate Rating
NexTier Bank	Outstanding	Outstanding	Outstanding
State: Pennsylvania	Outstanding	Outstanding	Outstanding

(*) 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.



INTERMEDIATE SMALL BANK

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



INTERMEDIATE SMALL BANK

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



INTERMEDIATE SMALL BANK

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.

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.

INTERMEDIATE SMALL BANK

Table O: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography **2019-21**

Assessment Area:	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$	% 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
Camp Hill	25	12,328	2.4	24,344	3.1	0.0	2.4	12.8	12.0	11.3	50.5	48.0	48.1	33.6	40.0	38.2	0.0	0.0	0.0
Dubois	21	3,145	2.1	2,292	0.0	0.0	0.0	7.6	4.8	6.5	92.4	95.2	93.5	0.0	0.0	0.0	0.0	0.0	0.0
Western PA	977	224,957	95.5	77,962	3.3	3.4	1.6	14.7	21.2	10.3	46.9	52.7	43.1	35.1	21.5	45.0	0.0	1.2	0.0
Total	1,023	240,429	100.0	104,598	3.1	3.2	1.8	14.0	20.6	10.5	49.5	53.5	45.4	33.3	21.5	42.4	0.0	1.2	0.0

Source: 2015 ACS; 01/01/2019 - 12/13/2021 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.

INTERMEDIATE SMALL BANK

Table P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower																			2019-21
	Total Home Mortgage Loans				Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers		
Assessment Area:	#	\$	% of Total	Overall Market	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate
NexTier Bank - Camp Hill	25	12,328	2.4	24,344	19.4	0.0	8.3	17.6	0.0	19.0	21.1	0.0	21.2	41.9	12.0	34.1	0.0	88.0	17.4
NexTier Bank - Dubois	21	3,145	2.1	2,292	20.6	0.0	7.7	19.3	9.5	18.8	24.3	19.0	21.2	35.9	33.3	39.0	0.0	38.1	13.4
NexTier Bank - Western PA	977	224,957	95.5	77,962	20.4	6.6	7.9	16.6	16.1	17.0	20.0	22.3	20.7	43.1	28.0	39.5	0.0	27.0	14.9
Total	1,023	240,429	100.0	104,598	20.2	6.3	8.0	16.9	15.5	17.5	20.4	21.7	20.9	42.5	27.8	38.2	0.0	28.7	15.4
Source: 2015 ACS ; 01/01/2019 - 12/13/2021 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.

EXHIBIT 16

HHI Analysis



Pittsburgh, PA Banking Market HHI Deposit Analysis* (For Commercial Bank and Thrift Organizations)

Report Date: Sunday, August 20, 2023 at 17:28:3 EST.

	Pre Merger	Post Merger
Total Organizations	49	48
Total Banking Organizations:	36	35
Total Thrift Organizations:	13	13

Herfindahl-Hirschman Index	Pre Merger	Post Merger	Change in HHI
HHI Unweighted Deposits	2571	2571	0
HHI Weighted Deposits	2626	2626	0

						Pre Merger						Post Merger					
						Unweighted			Weighted ***			Unweighted			Weighted ***		
RSSDID	Type	Branches	Name	City	State	Deposits**	Rank	%	Deposits	Rank	%	Deposits**	Rank	%	Deposits	Rank	%
Target Organization																	
4655266	BHC	5	MARS BANCORP, INC.	MARS	PA	450.992	22	0.20	450.992	19	0.20	0.000	0	0.00	0.000	0	0.00
978622	Bank	5	MARS BANK	MARS	PA	450.992			450.992								
Buyer Organization																	
2264404	BHC	25	NEXTIER INCORPORATED	KITTANNING	PA	1,562.158	12	0.69	1,562.158	12	0.69						
18827	Bank	25	NEXTIER BANK, NATIONAL ASSOCIATION	KITTANNING	PA	1,562.158			1,562.158								
Resulting Organization																	
2264404	BHC	30	NEXTIER INCORPORATED	KITTANNING	PA							2,013.150	11	0.88	2,013.150	11	0.89
18827	Bank	25	NEXTIER BANK, NATIONAL ASSOCIATION	KITTANNING	PA							1,562.158			1,562.158		
978622	Bank	5	MARS BANK	MARS	PA							450.992			450.992		

Other Organizations

RSSDID	Type	Branches	Name	City	State	Pre Merger						Post Merger					
						Unweighted			Weighted ***			Unweighted			Weighted ***		
						Deposits**	Rank	%	Deposits	Rank	%	Deposits**	Rank	%	Deposits	Rank	%
1069778	BHC	97	THE PNC FINANCIAL SERVICES GROUP, INC.	PITTSBURGH	PA	97,196.487	1	42.64	97,196.487	1	43.10	97,196.487	1	42.64	97,196.487	1	43.10

RSSDID	Type	Branches	Name	City	State	Pre Merger						Post Merger					
						Unweighted			Weighted ***			Unweighted			Weighted ***		
						Deposits**	Rank	%	Deposits	Rank	%	Deposits**	Rank	%	Deposits	Rank	%
817824	Bank	97	PNC BANK, NATIONAL ASSOCIATION	WILMINGTON	DE	97,196.487			97,196.487			97,196.487			97,196.487		
3587146	BHC	3	THE BANK OF NEW YORK MELLON CORPORATION	NEW YORK	NY	58,210.000	2	25.54	58,210.000	2	25.81	58,210.000	2	25.54	58,210.000	2	25.81
398668	Bank	1	THE BANK OF NEW YORK MELLON TRUST COMPANY, NATIONAL ASSOCIATION	LOS ANGELES	CA	0.000			0.000			0.000			0.000		
541101	Bank	2	THE BANK OF NEW YORK MELLON	NEW YORK	NY	58,210.000			58,210.000			58,210.000			58,210.000		
3815157	BHC	2	RAYMOND JAMES FINANCIAL, INC.	SAINT PETERSBURG	FL	12,913.141	3	5.66	12,913.141	3	5.73	12,913.141	3	5.66	12,913.141	3	5.73
3475083	Bank	2	TRISTATE CAPITAL BANK	PITTSBURGH	PA	12,913.141			12,913.141			12,913.141			12,913.141		
1132449	BHC	80	CITIZENS FINANCIAL GROUP, INC.	PROVIDENCE	RI	11,782.866	4	5.17	11,782.866	4	5.22	11,782.866	4	5.17	11,782.866	4	5.22
3303298	Bank	80	CITIZENS BANK, NATIONAL ASSOCIATION	PROVIDENCE	RI	11,782.866			11,782.866			11,782.866			11,782.866		
3005332	BHC	81	F.N.B. CORPORATION	PITTSBURGH	PA	9,712.074	5	4.26	9,712.074	5	4.31	9,712.074	5	4.26	9,712.074	5	4.31
379920	Bank	81	FIRST NATIONAL BANK OF PENNSYLVANIA	GREENVILLE	PA	9,712.074			9,712.074			9,712.074			9,712.074		
5218097	SLHC	50	DOLLAR MUTUAL BANCORP	PITTSBURGH	PA	6,506.349	6	2.85	6,506.349	6	2.88	6,506.349	6	2.85	6,506.349	6	2.88
961624	Thrift	50	DOLLAR BANK, FEDERAL SAVINGS BANK	PITTSBURGH	PA	6,506.349			6,506.349			6,506.349			6,506.349		
1068191	BHC	43	HUNTINGTON BANCSHARES INCORPORATED	COLUMBUS	OH	4,771.953	7	2.09	4,771.953	7	2.12	4,771.953	7	2.09	4,771.953	7	2.12
12311	Bank	43	THE HUNTINGTON NATIONAL BANK	COLUMBUS	OH	4,771.953			4,771.953			4,771.953			4,771.953		
1068025	BHC	43	KEYCORP	CLEVELAND	OH	4,715.865	8	2.07	4,715.865	8	2.09	4,715.865	8	2.07	4,715.865	8	2.09
280110	Bank	43	KEYBANK NATIONAL ASSOCIATION	CLEVELAND	OH	4,715.865			4,715.865			4,715.865			4,715.865		
1071306	BHC	50	FIRST COMMONWEALTH FINANCIAL CORPORATION	INDIANA	PA	3,658.054	9	1.60	3,658.054	9	1.62	3,658.054	9	1.60	3,658.054	9	1.62
42420	Bank	50	FIRST COMMONWEALTH BANK	INDIANA	PA	3,658.054			3,658.054			3,658.054			3,658.054		
1071397	BHC	27	S&T BANCORP, INC.	INDIANA	PA	2,983.041	10	1.31	2,983.041	10	1.32	2,983.041	10	1.31	2,983.041	10	1.32
936426	Bank	27	S&T BANK	INDIANA	PA	2,983.041			2,983.041			2,983.041			2,983.041		
1070448	BHC	30	WESBANCO, INC.	WHEELING	WV	1,798.930	11	0.79	1,798.930	11	0.80	1,798.930	12	0.79	1,798.930	12	0.80
645625	Bank	30	WESBANCO BANK, INC.	WHEELING	WV	1,798.930			1,798.930			1,798.930			1,798.930		
4122722	BHC	19	NORTHWEST BANCSHARES INC	COLUMBUS	OH	1,136.221	14	0.50	1,136.221	13	0.50	1,136.221	14	0.50	1,136.221	13	0.50
1002878	Thrift	19	NORTHWEST BANK	WARREN	PA	1,136.221			1,136.221			1,136.221			1,136.221		
1073757	BHC	10	BANK OF AMERICA CORPORATION	CHARLOTTE	NC	1,122.892	15	0.49	1,122.892	14	0.50	1,122.892	15	0.49	1,122.892	14	0.50
480228	Bank	10	BANK OF AMERICA, NATIONAL ASSOCIATION	CHARLOTTE	NC	1,122.892			1,122.892			1,122.892			1,122.892		
3333718	BHC	12	CB FINANCIAL SERVICES, INC.	CARMICHAELS	PA	995.639	16	0.44	995.639	15	0.44	995.639	16	0.44	995.639	15	0.44

						Pre Merger						Post Merger					
						Unweighted			Weighted ***			Unweighted			Weighted ***		
RSSDID	Type	Branches	Name	City	State	Deposits**	Rank	%	Deposits	Rank	%	Deposits**	Rank	%	Deposits	Rank	%
371924	Bank	12	COMMUNITY BANK	CARMICHAELS	PA	995.639			995.639			995.639			995.639		
3831326	SLHC	11	WFSB MUTUAL HOLDING COMPANY	WASHINGTON	PA	1,403.796	13	0.62	701.898	16	0.31	1,403.796	13	0.62	701.898	16	0.31
282075	Thrift	11	WASHINGTON FINANCIAL BANK	WASHINGTON	PA	1,403.796			701.898			1,403.796			701.898		
2914857	BHC	20	SOMERSET TRUST HOLDING COMPANY	SOMERSET	PA	494.555	20	0.22	494.555	17	0.22	494.555	20	0.22	494.555	17	0.22
212522	Bank	20	SOMERSET TRUST COMPANY	SOMERSET	PA	494.555			494.555			494.555			494.555		
624778	Thrift	6	FIRST FEDERAL SAVINGS AND LOAN ASSOCIATION OF GREENE CO	WAYNESBURG	PA	910.023	17	0.40	455.012	18	0.20	910.023	17	0.40	455.012	18	0.20
1076217	BHC	3	UNITED BANKSHARES, INC.	CHARLESTON	WV	450.421	23	0.20	450.421	20	0.20	450.421	22	0.20	450.421	19	0.20
365325	Bank	3	UNITED BANK	FAIRFAX	VA	450.421			450.421			450.421			450.421		
1823738	BHC	7	COMMERCIAL NATIONAL FINANCIAL CORPORATION	LATROBE	PA	374.854	24	0.16	374.854	21	0.17	374.854	23	0.16	374.854	20	0.17
945026	Bank	7	COMMERCIAL BANK AND TRUST OF PA	LATROBE	PA	374.854			374.854			374.854			374.854		
2394628	SLHC	11	MUTUAL HOLDING COMPANY OF WESTERN PENNSYLVANIA	BETHEL PARK	PA	734.639	18	0.32	367.320	22	0.16	734.639	18	0.32	367.320	21	0.16
534877	Thrift	11	BRENTWOOD BANK	BETHEL PARK	PA	734.639			367.320			734.639			367.320		
1039502	BHC	23	JPMORGAN CHASE & CO.	NEW YORK	NY	284.697	25	0.12	284.697	23	0.13	284.697	24	0.12	284.697	22	0.13
852218	Bank	23	JPMORGAN CHASE BANK, NATIONAL ASSOCIATION	COLUMBUS	OH	284.697			284.697			284.697			284.697		
3631012	BHC	3	KEYSTRONG FINANCIAL, INC.	ELBERTON	PA	283.974	26	0.12	283.974	24	0.13	283.974	25	0.12	283.974	23	0.13
282824	Bank	3	ELBERTON STATE BANK	ELBERTON	PA	283.974			283.974			283.974			283.974		
3417195	BHC	1	ENTERPRISE FINANCIAL SERVICES GROUP, INC.	ALLISON PARK	PA	267.339	27	0.12	267.339	25	0.12	267.339	26	0.12	267.339	24	0.12
2730431	Bank	1	ENTERPRISE BANK	ALLISON PARK	PA	267.339			267.339			267.339			267.339		
1944204	BHC	3	MID PENN BANCORP, INC.	HARRISBURG	PA	254.543	28	0.11	254.543	26	0.11	254.543	27	0.11	254.543	25	0.11
786612	Bank	3	MID PENN BANK	MILLERSBURG	PA	254.543			254.543			254.543			254.543		
3831269	SLHC	10	CHARLEROI FINANCIAL MHC	CHARLEROI	PA	502.715	19	0.22	251.358	27	0.11	502.715	19	0.22	251.358	26	0.11
100777	Thrift	10	CFSBANK	CHARLEROI	PA	502.715			251.358			502.715			251.358		
213471	Thrift	1	SLOVENIAN SAVINGS AND LOAN ASSOCIATION OF CANONSBURG	STRABANE	PA	489.555	21	0.21	244.778	28	0.11	489.555	21	0.21	244.778	27	0.11
1071191	BHC	5	FARMERS NATIONAL BANC CORP.	CANFIELD	OH	239.083	29	0.10	239.083	29	0.11	239.083	28	0.10	239.083	28	0.11
680813	Bank	5	THE FARMERS NATIONAL BANK OF CANFIELD	CANFIELD	OH	239.083			239.083			239.083			239.083		
5161335	BHC	2	SSB BANCORP, MHC	PITTSBURGH	PA	196.068	32	0.09	196.068	30	0.09	196.068	31	0.09	196.068	29	0.09
277277	Thrift	2	SSB BANK	PITTSBURGH	PA	196.068			196.068			196.068			196.068		

						Pre Merger						Post Merger					
						Unweighted			Weighted ***			Unweighted			Weighted ***		
RSSDID	Type	Branches	Name	City	State	Deposits**	Rank	%	Deposits	Rank	%	Deposits**	Rank	%	Deposits	Rank	%
1117316	BHC	3	AMERISERV FINANCIAL, INC	JOHNSTOWN	PA	180.252	33	0.08	180.252	31	0.08	180.252	32	0.08	180.252	30	0.08
928618	Bank	3	AMERISERV FINANCIAL BANK	JOHNSTOWN	PA	180.252			180.252			180.252			180.252		
1139000	BHC	6	APOLLO BANCORP, INC.	APOLLO	PA	163.280	34	0.07	163.280	32	0.07	163.280	33	0.07	163.280	31	0.07
368522	Bank	6	APOLLO TRUST COMPANY	APOLLO	PA	163.280			163.280			163.280			163.280		
2140115	BHC	5	WVS FINANCIAL CORP.	PITTSBURGH	PA	153.660	35	0.07	153.660	33	0.07	153.660	34	0.07	153.660	32	0.07
842376	Thrift	5	WEST VIEW SAVINGS BANK	PITTSBURGH	PA	153.660			153.660			153.660			153.660		
678070	Thrift	3	SEWICKLEY SAVINGS BANK	SEWICKLEY	PA	225.470	30	0.10	112.735	34	0.05	225.470	29	0.10	112.735	33	0.05
911973	Thrift	2	UNION SAVINGS BANK	CINCINNATI	OH	198.021	31	0.09	99.010	35	0.04	198.021	30	0.09	99.010	34	0.04
1830240	BHC	3	1ST SUMMIT BANCORP OF JOHNSTOWN, INC.	JOHNSTOWN	PA	74.237	39	0.03	74.237	36	0.03	74.237	38	0.03	74.237	35	0.03
526519	Bank	3	1ST SUMMIT BANK	JOHNSTOWN	PA	74.237			74.237			74.237			74.237		
188177	Thrift	1	WESTMORELAND FEDERAL SAVINGS AND LOAN ASSOCIATION	LATROBE	PA	129.476	36	0.06	64.738	37	0.03	129.476	35	0.06	64.738	36	0.03
19972	Thrift	1	FARMERS BUILDING AND SAVINGS BANK	ROCHESTER	PA	102.851	37	0.05	51.426	38	0.02	102.851	36	0.05	51.426	37	0.02
1138928	BHC	1	COMMUNITY BANKERS' CORPORATION	INDIANA	PA	40.459	41	0.02	40.459	39	0.02	40.459	40	0.02	40.459	38	0.02
947525	Bank	1	MARION CENTER BANK	INDIANA	PA	40.459			40.459			40.459			40.459		
269571	Thrift	1	ARMSTRONG COUNTY BUILDING AND LOAN ASSOCIATION	FORD CITY	PA	80.581	38	0.04	40.290	40	0.02	80.581	37	0.04	40.290	39	0.02
4199229	BHC	10	WOODFOREST FINANCIAL GROUP EMPLOYEE STOCK OWNERSHIP PLAN (WITH 401(K) PROVISIONS) (AMENDED AND RESTATED EFF. 01/01/16)	THE WOODLANDS	TX	40.199	42	0.02	40.199	41	0.02	40.199	41	0.02	40.199	40	0.02
412751	Bank	10	WOODFOREST NATIONAL BANK	THE WOODLANDS	TX	40.199			40.199			40.199			40.199		
3316917	BHC	1	PREMIER FINANCIAL CORP.	DEFIANCE	OH	36.837	44	0.02	36.837	42	0.02	36.837	43	0.02	36.837	41	0.02
981275	Bank	1	PREMIER BANK	YOUNGSTOWN	OH	36.837			36.837			36.837			36.837		
4442224	BHC	2	INFIRST BANCORP, MHC	INDIANA	PA	26.690	45	0.01	26.690	43	0.01	26.690	44	0.01	26.690	42	0.01
904171	Thrift	2	INFIRST BANK	INDIANA	PA	26.690			26.690			26.690			26.690		
373272	Thrift	3	COMPASS SAVINGS BANK	WILMERDING	PA	44.305	40	0.02	22.152	44	0.01	44.305	39	0.02	22.152	43	0.01
357777	Thrift	1	GREENVILLE SAVINGS BANK	GREENVILLE	PA	37.883	43	0.02	18.942	45	0.01	37.883	42	0.02	18.942	44	0.01
3818804	BHC	1	BEAL FINANCIAL CORPORATION	PLANO	TX	8.688	46	0.00	8.688	46	0.00	8.688	45	0.00	8.688	45	0.00
1176881	Bank	1	BEAL BANK	PLANO	TX	8.688			8.688			8.688			8.688		
1139541	BHC	1	PEOPLES FINANCIAL SERVICES CORPORATION	SCRANTON	PA	6.903	47	0.00	6.903	47	0.00	6.903	46	0.00	6.903	46	0.00

RSSDID	Type	Branches	Name	City	State	Pre Merger						Post Merger					
						Unweighted			Weighted ***			Unweighted			Weighted ***		
						Deposits**	Rank	%	Deposits	Rank	%	Deposits**	Rank	%	Deposits	Rank	%
278818	Bank	1	PEOPLES SECURITY BANK AND TRUST COMPANY	SCRANTON	PA	6.903			6.903			6.903			6.903		
1247183	BHC	1	MERCER COUNTY STATE BANCORP, INC.	SANDY LAKE	PA	6.548	48	0.00	6.548	48	0.00	6.548	47	0.00	6.548	47	0.00
866121	Bank	1	MERCER COUNTY STATE BANK	SANDY LAKE	PA	6.548			6.548			6.548			6.548		
1120754	BHC	1	WELLS FARGO & COMPANY	SAN FRANCISCO	CA	0.000	49	0.00	0.000	49	0.00	0.000	48	0.00	0.000	48	0.00
451965	Bank	1	WELLS FARGO BANK, NATIONAL ASSOCIATION	SIOUX FALLS	SD	0.000			0.000			0.000			0.000		
Totals:						227,959.264		100.00	225,529.606		100.00	227,959.264		100.00	225,529.606		100.00

Notes:

* The geographic market is defined as: Allegheny, Armstrong, Beaver, Butler, Greene, Lawrence, Washington and Westmoreland Counties, PA; and Fayette County, PA (minus Point Marion borough and Springhill township).

** Financial data (in millions of dollars) is as of June 30, 2022, and reflects currently known ownership structure.

*** Deposits of thrift institutions are weighted at 50 percent, unless otherwise noted. Deposits of thrift subsidiaries of commercial banking organizations, however, are weighted at 100 percent. Deposits of CSA thrift institutions are weighted at 100 percent.