PUBLIC DISCLOSURE

May 11, 2026

COMMUNITY REINVESTMENT ACT
PERFORMANCE EVALUATION

First Responders Credit Union
Certificate Number: 67837

60 Hallet Street
Dorchester, MA 02124

Division of Banks
One Federal Street, Suite 710
Boston, Massachusetts 02110

This document is an evaluation of this institution's record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods, consistent with safe and sound operation of the institution. This evaluation is not, nor should it be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion, or opinion of the Division of Banks concerning the safety and soundness of this financial institution.

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This document is an evaluation of the Community Reinvestment Act (CRA) performance of First Responders Credit Union (credit union) prepared by the Massachusetts Division of Banks (Division), the institution's supervisory agency as of May 11, 2026. The Division rates the CRA performance of an institution consistent with the provisions set forth in Massachusetts Regulation 209 CMR 46.00.

INSTITUTION RATING

INSTITUTION'S CRA RATING: This institution is rated **Satisfactory.**

An institution in this group has a satisfactory record of helping to meet the credit needs of its assessment area, including low- and moderate-income neighborhoods, in a manner consistent with its resources and capabilities.

The Lending Test is rated Satisfactory.

- The average loan-to-share ratio is reasonable given the institution's size, financial condition, and assessment area credit needs.

- The distribution of borrowers reflects adequate penetration of loans among individuals of different income levels.

- The credit union has not received any CRA-related complaints during the evaluation period; therefore, this factor did not affect the Lending Test rating.

- The credit union has an adequate record relative to its fair lending policies and procedures.

The Community Development Test is rated High Satisfactory

- The credit union demonstrated more than reasonable responsiveness to the assessment area's community development needs through qualified loans, donations, and community development services. Examiners considered the institution's capacity and the need and availability of such opportunities for community development in the assessment area.

SCOPE OF EVALUATION

General Information

The Community Reinvestment Act (CRA) requires the Massachusetts Division of Banks (Division) to use its authority when examining financial institutions subject to its' supervision to assess the institution's record of meeting the needs of its assessment area, including low- and moderate-income neighborhoods consistent with the safe and sound operation of the institution. Upon the conclusion of such an examination, the Division must prepare a written evaluation of the institution's record of meeting the credit needs of its membership.

This evaluation considered activity from the previous evaluation dated September 25, 2023, to the current evaluation dated May 11, 2026, using Interagency Intermediate Small Institution CRA Procedures to evaluate CRA performance. These procedures include the Lending Test and the Community Development Test. Activity from the two most recent full calendar years, 2024 and 2025, was considered.

The Lending Test considered the credit union's performance according to the following criteria:

- Loan-To-Share (LTS) Ratio
- Borrower Profile
- Response to CRA-related complaints
- Fair Lending Policies and Procedures

The Community Development Test considered the following factors:

- Number and dollar amount of community development activity, including qualified services, qualified investments, and community development loans.
- The responsiveness of such activities to the community development needs of the area.

Loan Products Reviewed

Examiners analyzed home mortgage loans from January 1, 2024, through December 31, 2025. The home mortgage loan originations were collected through the institution's 2024 and 2025 Loan/Application Registers (LARs). Examiners presented these years of performance in the assessment area concentration, geographic distribution, and borrower profile tables.

The credit union originated 32 home mortgage loans totaling $17.6 million in 2024 and originated 60 home mortgage loans totaling $31.3 million in 2025. Examiners used sampling procedures to analyze the credit union's consumer lending performance in 2024 and 2025. Examiners compared the institution's home mortgage lending and consumer lending performance to 2020 American Community Survey (ACS) demographic data. Home mortgage lending was also compared to available aggregate data.

Examiners focused the examination on the institution's home mortgage lending due to its higher share of the loan portfolio and its readily available data. Examiners also focused on the number of loans rather than the dollar volume when assessing the institution's performance as it is a better indicator of the number of individuals served.

DESCRIPTION OF INSTITUTION

Background

The credit union changed its name from Boston Firefighters Credit Union to First Responders Credit Union effective June 12, 2026. Chartered in 1947 by the Commonwealth of Massachusetts, First Responders Credit Union is an industrial credit union whose members include members of the first responder community in Massachusetts (fire departments, law enforcement departments, and municipally operated EMS departments); employees and retirees of First Responders Credit Union; Labor Union employees and retirees thereof serving the first responder community in Massachusetts; and the family members of those persons lists. For the purposes of this section, the term "family member" shall be defined to include spouses, domestic partners, sharing a principal residence in the same household as the member, and children as well as parents, grandparents, grandchildren, siblings, aunts, uncles, cousins, nieces, and nephews whether related by blood or marriage.

The credit union is a low-income credit union, designated by the Division of Banks and National Credit Union Administration (NCUA). A designated low-income credit union indicates that a majority of its membership earns less than 80 percent of the median family income for the metropolitan area where they live, or the national metropolitan area, whichever is greater.

The credit union received a "Satisfactory" rating at its previous Division of Banks CRA Performance Evaluation dated September 25, 2023, based on the Interagency Intermediate-Small Institution CRA Examination Procedures and the Division's CRA Regulation 209 CMR 46.00.

Operations

The credit union is headquartered at 60 Hallet Street in Dorchester, MA which is located in an upper-income census tract. Hours of operation are from 8:30 AM – 4:00 PM Monday to Wednesday, with hours extending to 5:00 PM on Thursdays and Fridays. Saturday hours are available from 8:30 AM – 12:30 PM. The credit union also maintains two stand-alone ATMs in Dorchester, MA.

The credit union offers a variety of personal deposit accounts, including checking and savings accounts, individual retirement accounts, money market accounts, and club accounts. Borrowers may apply for fixed- and adjustable-rate real-estate mortgages, home equity lines of credit, personal loans, credit cards, college tuition loans, and new and used auto loans.

Ability and Capacity

As of the March 31, 2026, quarterly call report, the credit union's assets totaled approximately $448.5 million, held shares and deposits totaling approximately $376.7 million, and maintains a loan portfolio of approximately $352.0 million. Since the previous examination, the credit union's total asset size has increased by 6.0 percent, total shares have increased by 8.3 percent, and the credit union's total loan portfolio has increased by 3.0 percent.

Residential mortgage lending accounts for a majority of the credit union's loan portfolio, first and junior liens on 1-4 family residential properties account for approximately 83.1 percent of the credit union's loan portfolio, followed by vehicle loans, accounting for 6.4 percent of the loan portfolio.

The following table provides an overview of the credit union's loan portfolio.

Loan Portfolio Distribution as of 03/31/2026		
Loan Category	**$**	**%**
Unsecured Credit Card Loans	7,953,243	2.3
Non-Federally Guaranteed Student Loans	1,840,371	0.5
All Other Unsecured Loans/Lines of Credit	20,177,482	5.7
New Vehicle Loans	6,036,211	1.7
Used Vehicle Loans	16,615,059	4.7
All Other Secured Non-Real Estate Loans/Lines of Credit	673,641	0.2
Loans/Lines of Credit Secured by a First Lien on a single 1-4 Family Residential	245,106,761	69.6
Loans/Lines of Credit Secured by a Junior Lien on a single 1-4 Family Residential	47,381,082	13.5
All Other Non-Commercial Real Estate Loans/Lines of Credit	0	0.0
Commercial Loan/Real Estate Secured Line of Credit	6,108,862	1.7
Commercial Loan/Non-Real Estate Secured Line of Credit	67,909	0.0
Total Loans	**351,960,621**	**100.0**
Source: Reports of Income and Condition		

DESCRIPTION OF ASSESSMENT AREA

Pursuant to 209 CMR 46.41(8), First Responders Credit Union delineates its membership as its assessment area. According to CRA regulations, an institution shall delineate one or more assessment areas where the institution will meet credit needs and by which the Division will evaluate the institution's CRA performance. Credit unions whose membership by-law provisions are not based upon geography are permitted to designate its membership as its assessment area.

The Federal Financial Institutions Examination Council (FFIEC) updated median family income level is used to analyze consumer loans under the Borrower Profile criterion. The low-, moderate-, middle-, and upper-income categories are presented in the following table.

Median Family Income Ranges				
Median Family Incomes	**Low <50%**	**Moderate 50% to <80%**	**Middle 80% to <120%**	**Upper ≥120%**
Boston, MA Median Family Income (14454)				
2024 ($136,200)	<$68,100	$68,100 to <$108,960	$108,960 to <$163,440	≥$163,440
2025 ($150,200)	<$75,100	$75,100 to <$120,160	$120,160 to <$180,240	≥$180,240
Source: FFIEC				

CONCLUSIONS ON PERFORMANCE CRITERIA

LENDING TEST

The credit union's overall Lending Test performance is rated Satisfactory. The sections below discuss the credit union's performance under each criterion.

<u>Loan-to-Share Ratio</u>

This performance criterion determines what percentage of the credit union's share base is reinvested in the form of loans and evaluates its appropriateness. The average net loan-to-share (LTS) ratio is reasonable given the institution's size, financial condition, and membership needs.

The credit union's net LTS ratio, as calculated from the NCUA 5300 Quarterly Call Report data, averaged 96.7 percent over eight calendar quarters from June 30, 2024, through March 31, 2026. The credit union's LTS ratio ranged from 98.3 percent as of December 31, 2024, to 96.1 percent as of June 30, 2024. The LTS was stable throughout the examination period.

<u>Borrower Profile</u>

The credit union's performance demonstrated adequate penetration of home mortgage loans and consumer loans among borrowers of different income levels.

Home Mortgage Loans

The credit union's performance reflects an adequate penetration of home mortgage loans among members of different income levels, including low- and moderate-income borrowers.

The distribution of home mortgage loans reflects reasonable penetration to individuals of different income levels. In 2024 and 2025, the credit union did not originate any loans to low-income borrowers. In 2024, 6.3 percent of the credit union's mortgage loans were to moderate-income borrowers. This increased to 13.3 percent in 2025. For lending to low-income borrowers, this performance is below the previous evaluation, while the credit union's performance among moderate-income borrowers was above that of the previous examination.

Members of the Boston Fire Department and Boston Police Department make up a large portion of the credit union's membership. For both years, the salaries for both departments exceeded the low-income family delineation for each year, limiting the credit union's ability to lend to low-income borrowers. These reasons clarify the limited performance among low- and moderate-income borrowers.

Distribution of Home Mortgage Loans by Borrower Income Level				
Borrower Income Level	**#**	**%**	**$(000s)**	**%**
Low				
2024	0	0.0	0	0.0
2025	0	0.0	0	0.0
Moderate				
2024	2	6.3	560	3.2
2025	8	13.3	2,640	8.4
Middle				
2024	3	9.4	1,335	7.6
2025	9	15.0	4,055	12.9
Upper				
2024	27	84.4	15,765	89.3
2025	43	71.7	24,645	78.6
Income Not Available				
2024	0	0.0	0	0.0
2025	0	0.0	0	0.0
Totals				
2024	**32**	**100.0**	**17,660**	**100.0**
2025	**60**	**100.0**	**31,340**	**100.0**
Source: Credit Union Data				

Consumer Loans

The distribution of borrowers reflects adequate penetration among individuals of different income levels. Examiners focused on lending to low- and moderate-income borrowers.

A sample of the credit union’s consumer loans was analyzed. Examiners selected a random sample of loans for 2024 and 2025. The sample consisted of personal unsecured, new, and used auto, and holiday loans.

In 2024, the credit union originated 20.0 percent of loans to low-income borrowers and 5.7 percent of loans to moderate-income borrowers within the sample of consumer loans reviewed. In 2025, the credit union originated 2.9 percent of loans to low-income borrowers and 22.9 percent of loans to moderate-income borrowers within the sample of consumer loans. The credit union’s performance is similar to that of the previous evaluation.

Distribution of Consumer Loans by Borrower Income Level				
Borrower Income Level	**#**	**%**	**$(000s)**	**%**
Low				
2024	7	20.0	86,995	7.4
2025	1	2.9	2,552	0.5
Moderate				
2024	2	5.7	43,304	3.7
2025	8	22.9	121,203	21.5
Middle				
2024	4	11.4	60,180	5.1
2025	10	28.6	191,721	34.1
Upper				
2024	22	62.9	977,686	83.7
2025	16	45.7	247,440	44.0
Income Not Available				
2024	0	0.0	0	0.0
2025	0	0.0	0	0.0
Totals				
2024	**35**	**100.0**	**1,168,164**	**100.0**
2025	**35**	**100.0**	**562,916**	**100.0**
Source: Credit Union Data				

Response to Complaints

The credit union did not receive any CRA-related complaints during the evaluation period; therefore, this criterion did not impact the CRA rating.

Discriminatory or Other Illegal Credit Practices

Examiners did not identify any evidence of discriminatory or other illegal credit practices; therefore, this consideration did not affect the credit union's overall rating.

Fair Lending Policies and Procedures

The Division of Banks provides comments regarding the institution's fair lending policies and procedures pursuant to Regulatory Bulletin 1.3-106. A review of the credit union's public comment file indicated the credit union received no complaints pertaining to the institution's CRA performance since the previous examination. The fair lending review was conducted in accordance with the Federal Financial Institutions Examination Council (FFIEC) Interagency Fair Lending Examination Procedures. Based on these procedures, no evidence of disparate treatment was noted.

COMMUNITY DEVELOPMENT TEST

The credit union demonstrated good responsiveness to the community development needs through qualified community development services, loans and investments. The credit union opted to provide its record of community development loans and investments for CRA consideration. Loan and investment activities support the High Satisfactory rating of the community development test.

Examiners also considered the credit union’s capacity, and need and availability of such opportunities for community development to its members.

Community Development Services

During the evaluation period, credit union employees provided 54 instances of financial expertise or technical assistance representing an increase from 12 instances in the previous examination. The increase is attributed to consistent tracking and documenting of community development service opportunities. These community development services primarily supported the community through financial education initiatives.

Credit For Life Fair- The credit union supported a Credit for Life Fair that provided hands-on financial literacy education to students from predominantly low- and moderate-income populations. The program enhanced participants’ understanding of budgeting, savings, and responsible credit use, thereby promoting financial capability and economic stability consistent with community development service objectives. Three credit union employees volunteered at the event, which served approximately 300 students.

Boston Fire Teen Academy – Credit union employees continue to provide financial literacy education to youth participating in the Boston Fire Teen Academy, a program serving students from predominantly low- and moderate-income communities or households. Employees delivered instruction on budgeting, savings, credit management, and responsible financial decision-making to help participants develop foundational money management skills and increase financial capability. This activity is consistent with community development service objectives because it promotes financial education and economic empowerment for underserved youth and supports long-term financial stability within the community.

Senior Financial Education– Credit union employees provided financial literacy education to senior participants, including individuals from low- and moderate-income populations. The program covered topics such as fraud and scam prevention and identity theft protection to help seniors maintain financial security and independence. This activity is consistent with community development service objectives because it promotes financial education, protects vulnerable consumers, and supports the financial stability and well-being of low- and moderate-income individuals within the community.

Community Development Loans

During the evaluation period, the credit union originated five Mass Save Heat Loans totaling $65,079 to low- and moderate-income borrowers. To qualify for the program, borrowers must own a one- to four-family home and receive approval through a Mass Save Home Energy Assessment. Loan activity decreased from the previous examination period, during which the credit union originated 183 Heat Loans totaling $3.3 million. However, the decline does not negatively impact the credit union’s overall performance, as lending activity remained responsive to the needs of its community and membership. The credit union discontinued this loan product effective January 1, 2025.

The credit union developed the Guardian Assistance Program to assist first responders experiencing financial hardship due to medical or mental health leave from work. The program is designed to help offset the loss of detail and overtime income that members may regularly rely upon. Loans are offered in amounts up to $10,000 with terms of up to 60 months, including the first 12 months with no required payments or interest accrual. Borrowers must be members of the credit union to qualify.

During the evaluation period, the credit union originated two Guardian Assistance Program loans totaling $20,000. These loans are considered responsive to identified community credit needs, as they provide flexible and affordable financial assistance to individuals experiencing temporary income disruption. The program demonstrates the credit union's commitment to supporting the financial stability of its membership, particularly first responders facing unforeseen hardships.

Qualified Investments

Mortgage-Backed Securities

During the evaluation period, the Credit Union invested in 13 CRA-qualified multifamily mortgage-backed securities totaling $11.0 million. These investments qualified for CRA consideration because the underlying mortgages financed multifamily properties that primarily provide affordable housing for low- and moderate-income individuals. The investments demonstrate the Credit Union's commitment to supporting community development through the preservation and expansion of affordable housing opportunities.

Donations

The Credit Union made 30 donations totaling $63,350, an increase from 11 donations totaling $23,250 in the previous examination. The increase is attributed to detailed capturing and improved tracking of community development donations. The donations included both ongoing commitments from prior examination cycles and new contributions, demonstrating continued responsiveness to community development needs and a sustained commitment to supporting impactful community initiatives.

Credit Union Kids at Heart- The credit union supported the EasCorp Credit Union Kids at Heart program, an initiative that provides assistance to children and families facing serious childhood illnesses, including low- and moderate-income households experiencing financial hardship. Through its support, the Credit Union helped fund programs and services that provide medical, emotional, and community-based assistance to underserved families receiving treatment at local hospitals. This activity is consistent with community development objectives because it supports community services targeted to low- and moderate-income individuals and families and demonstrates responsiveness to critical community needs within the Greater Boston area.

Massachusetts Coalition for the Homeless – A Bed for Every Child – The credit union supported the Massachusetts Coalition for the Homeless' *A Bed for Every Child* program, which is committed to ensuring that children across Massachusetts have a safe and comfortable place to sleep. The Credit Union provided financial contributions to fund 10 beds for children in families experiencing homelessness or financial hardship, including low- and moderate-income households. This activity is consistent with community development objectives because it supports community services that address essential needs for low- and moderate-income individuals and families and demonstrates responsiveness to housing insecurity within the community.

Boston Fire Department Community Enrichment Program- The credit union provided financial donations to the Boston Fire Department Community Enrichment Program, an organization dedicated to supporting youth and families across Boston neighborhoods through educational, recreational, and community-based initiatives. The program offers after-school activities, mentoring, community events, and enrichment opportunities designed to foster positive youth development and expand access to safe, affordable programming. Many individuals and families served by the organization are from low- to moderate-income households, and the program plays an important role in strengthening community engagement, increasing opportunities for youth, and promoting family stability throughout the city.

INTERMEDIATE SMALL INSTITUTION PERFORMANCE CRITERIA

Lending Test

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

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

Community Development Test

The Community Development Test considers the following criteria:

1) The number and amount of community development loans;
2) The number and amount of qualified investments;
3) The extent to which the credit union provides community development services; and
4) The credit union’s responsiveness through such activities to the area’s community development needs considering the amount and combination of these activities, along with their qualitative aspects.

GLOSSARY

Aggregate Lending: The number of loans originated and purchased by all reporting lenders in specified income categories as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the metropolitan area/assessment area.

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

Area Median Income: The median family income for the MSA, if a person or geography is located in an MSA; or the statewide nonmetropolitan median family income, if a person or geography is located outside an MSA.

Assessment Area: A geographic area delineated by the bank under the requirements of the Community Reinvestment Act.

Census Tract: A small, relatively permanent statistical subdivision of a county or equivalent entity. The primary purpose of census tracts is to provide a stable set of geographic units for the presentation of statistical data. Census tracts generally have a population size between 1,200 and 8,000 people, with an optimum size of 4,000 people. Census tract boundaries generally follow visible and identifiable features, but they may follow nonvisible legal boundaries in some instances. State and county boundaries always are census tract boundaries.

Combined Statistical Area (CSA): A combination of several adjacent metropolitan statistical areas or micropolitan statistical areas or a mix of the two, which are linked by economic ties.

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

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

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

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

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

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

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

Community Development Service: A service that:
(1) Has as its primary purpose community development;
(2) Is related to the provision of <u>financial</u> services; and
(3) Has not been considered in the evaluation of the institution's retail banking services under § 345.24(d).

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

Core Based Statistical Area (CBSA): The county or counties or equivalent entities associated with at least one core (urbanized area or urban cluster) of at least 10,000 population, plus adjacent counties having a high degree of social and economic integration with the core as measured through commuting ties with the counties associated with the core. Metropolitan and Micropolitan Statistical Areas are the two categories of CBSAs.

Distressed Middle-Income Nonmetropolitan Geographies: A nonmetropolitan middle-income geography will be designated as distressed if it is in a county that meets one or more of the following triggers:

(1) An unemployment rate of at least 1.5 times the national average;
(2) A poverty rate of 20 percent or more; or
(3) A population loss of 10 percent or more between the previous and most recent decennial census or a net migration loss of 5 percent or more over the 5-year period preceding the most recent census.

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

FFIEC-Estimated Income Data: The Federal Financial Institutions Examination Council (FFIEC) issues annual estimates which update median family income from the metropolitan and nonmetropolitan areas. The FFIEC uses American Community Survey data and factors in information from other sources to arrive at an annual estimate that more closely reflects current economic conditions.

Full-Scope Review: A full-scope review is accomplished when examiners complete all applicable interagency examination procedures for an assessment area. Performance under applicable tests is analyzed considering performance context, quantitative factors (e.g, geographic distribution, borrower profile, and total number and dollar amount of investments), and qualitative factors (e.g, innovativeness, complexity, and responsiveness).

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

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

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

Housing Unit: Includes a house, an apartment, a mobile home, a group of rooms, or a single room that is occupied as separate living quarters.

Limited-Scope Review: A limited scope review is accomplished when examiners do not complete all applicable interagency examination procedures for an assessment area.

Performance under applicable tests is often analyzed using only quantitative factors (e.g, geographic distribution, borrower profile, total number and dollar amount of investments, and branch distribution).

Low-Income: Individual income that is less than 50 percent of the area median income, or a median family income that is less than 50 percent in the case of a geography.

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

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

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

Median Income: The median income divides the income distribution into two equal parts, one having incomes above the median and other having incomes below the median.

Metropolitan Division (MD): A county or group of counties within a CBSA that contain(s) an urbanized area with a population of at least 2.5 million. A MD is one or more main/secondary counties representing an employment center or centers, plus adjacent counties associated with the main/secondary county or counties through commuting ties.

Metropolitan Statistical Area (MSA): CBSA associated with at least one urbanized area having a population of at least 50,000. The MSA comprises the central county or counties or equivalent entities containing the core, plus adjacent outlying counties having a high degree of social and economic integration with the central county or counties as measured through commuting.

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

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

Multi-family: Refers to a residential structure that contains five or more units.

Nonmetropolitan Area (also known as **non-MSA):** All areas outside of metropolitan areas. The definition of nonmetropolitan area is not consistent with the definition of rural areas. Urban and rural classifications cut across the other hierarchies. For example, there is generally urban and rural territory within metropolitan and nonmetropolitan areas.

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

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

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

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

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

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

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

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

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

Urban Area: All territories, populations, and housing units in urbanized areas and in places of 2,500 or more persons outside urbanized areas. More specifically, "urban" consists of territory, persons, and housing units in places of 2,500 or more persons incorporated as cities, villages, boroughs (except in Alaska and New York), and towns (except in the New England states, New York, and Wisconsin).

"Urban" excludes the rural portions of "extended cities"; census designated place of 2,500 or more persons; and other territory, incorporated or unincorporated, including in urbanized areas.

PERFORMANCE EVALUATION DISCLOSURE GUIDE

Massachusetts General Laws Chapter 167, Section 14, as amended, requires all financial institutions to take the following actions within 30 business days of receipt of the CRA evaluation of their institution:

1) Make its most current CRA performance evaluation available to the public;

2) At a minimum, place the evaluation in the institution's CRA public file located at the head office and at a designated office in each assessment area;

3) Add the following language to the institution's required CRA public notice that is posted in each depository facility:

   "You may obtain the public section of our most recent CRA Performance Evaluation, which was prepared by the Massachusetts Division of Banks, at (60 Hallet Street Dorchester, MA 02124)."

   [Please Note: If the institution has more than one assessment area, each office (other than off-premises electronic deposit facilities) in that community shall also include the address of the designated office for that assessment area.]

4) Provide a copy of its current evaluation to the public, upon request. In connection with this, the institution is authorized to charge a fee which does not exceed the cost of reproduction and mailing (if applicable).

The format and content of the institution's evaluation, as prepared by its supervisory agency, may not be altered or abridged in any manner. The institution is encouraged to include its response to the evaluation in its CRA public file.