

PUBLIC DISCLOSURE

August 24, 2020

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Harvard University Employees Credit Union
Certificate Number: 67696

104 Mount Auburn St
Cambridge, MA 02138

Commonwealth of Massachusetts
Division of Banks
1000 Washington Street, 10th Floor
Boston, Massachusetts 02118

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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INSTITUTION RATING

This document is an evaluation of the CRA performance of **Harvard University Employees Credit Union** (credit union) prepared by the Division, the institution's supervisory agency. The Division rates the CRA performance of an institution consistent with the provisions set forth in Massachusetts Regulation 209 CMR 46.00.

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.

Harvard University Employees Credit Union's satisfactory Community Reinvestment Act (CRA) performance under the Lending Test and the Community Development Test supports the overall rating. Examiners did not identify any evidence of discriminatory or other illegal credit practices. The following points summarize the credit union's Lending Test performance.

The Lending Test is rated Satisfactory.

- The loan-to-share (LTS) ratio is more than reasonable given the institution's size, financial condition, and assessment area credit needs.
- The distribution of borrowers reflects reasonable penetration of loans among individuals of different income levels.
- The institution did not receive any CRA-related complaints since the previous evaluation; therefore, this factor did not affect the Lending Test rating.
- Fair lending policies and procedures are considered reasonable.

The Community Development Test is rated Satisfactory

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

SCOPE OF EVALUATION

Activities Reviewed

Examiners determined the credit union's major product line is home mortgage loans. This conclusion considered the credit union's business strategy and the number and dollar volume of loans originated during the evaluation period.

The evaluation considered all home mortgage loans reported on the credit union's 2018 and 2019 Home Mortgage Disclosure Act (HMDA) Loan Application Registers. In 2018, the credit union originated 547 loans totaling \$208.5 million and in 2019, the credit union originated 474 loans totaling \$179.8 million.

Examiners reviewed the number and dollar volume of home mortgage loans. While the number and dollar volume of loans are presented, examiners emphasized performance by the number of loans because the number of loans is a better indicator of the number of individuals served.

The Community Development Test considered the number and dollar amount of community development loans, qualified investments, and community development services from August 14, 2017 through August 24, 2020.

DESCRIPTION OF INSTITUTION

Background

Harvard University Employee's Credit Union is a state-chartered credit union, established to promote thrift among the employees of Harvard University. Its membership includes employees, students, and alumni of Harvard University and their families, Harvard teaching hospitals, and affiliated organizations. Some of these are: Brigham's and Women's Hospital, Beth Israel Deaconess Hospital, Boston Children's Hospital, and Harvard Pilgrim Health Care. As of June 30, 2020, the credit union's membership consists of 49,986 members.

The credit union received a "Satisfactory" rating at its previous Division of Bank's Performance Evaluation, dated August 14, 2017, based on the Intermediate Small Institution Examination Procedures.

Operations

The main office is located in an upper-income census tract at 104 Mount Auburn Street in Cambridge. There are four additional branch locations: two in Boston at Longwood Medical Area and at Massachusetts General Hospital, one in Charlestown at Charlestown Navy Yard, and one in Somerville at Mass General Brigham's Assembly Row location. The Somerville branch is restricted to employees who work in the building. The Longwood Medical branch is located in a low-income census tract, the Charlestown and Somerville branches are located in moderate-income census tracts, and the Massachusetts General Hospital branch is located in an upper-

income census tract. Main office business hours are from 8:30 AM to 4:30 PM on Monday, Tuesday, Wednesday, and Friday, from 8:30 AM to 6 PM on Thursday, and from 8:30 AM to Noon on Saturdays. Since the previous examination, the credit union has not opened or closed any locations.

Harvard University Employees Credit Union is a full-service financial institution that offers a wide variety of products and services. Savings and checking accounts offered by the credit union include money market accounts, retirement accounts, club accounts, and certificates of deposit. Home financing programs include mortgages, refinancing, home equity fixed and lines of credit, and home improvement loans. Consumer loans include personal loans, auto loans, education loans, personal loans, debt consolidation, Mass Save HEAT loans, holiday loans, and vacation loans. Other services offered by the credit union include online banking, online bill payment, Visa debit/ATM cards, credit cards, and overdraft protection.

The credit union is a member of the CO-OP Shared Branch Network. This network is a shared financial delivery channel created by credit unions to provide members with convenient hours and locations. The CO-OP Shared Branch Network allows members within its network to access and do limited transactions through a nationwide network of participating credit unions.

Ability and Capacity

As of June 30, 2020, assets totaled approximately \$866.4 million and shares totaled \$688 million. Total loans were \$703.7 million, representing approximately 81.2 percent of total assets. Since the previous CRA evaluation, assets increased 42.1 percent and the lending portfolio increased 34.6 percent. The following table illustrates the credit union’s loan portfolio.

Loan Portfolio Distribution as of 6/30/2020		
Loan Category	\$	%
Unsecured Credit Card Loans	30,271,020	4.3
Non-Federally Guaranteed Student Loans	193,675,523	27.5
Unsecured Loans/Lines of Credit	13,821,932	2.0
New Vehicle Loans	4,647,022	0.7
Used Vehicle Loans	11,837,108	1.7
Secured Non-Real Estate Loans/Lines of Credit	3,783,935	0.5
Total Loans/Lines of Credit Secured by 1 st Lien 1-4 Family Residential Properties	409,790,109	58.2
Total Loans/Lines of Credit Secured by a Junior Lien 1-4 Family Residential Properties	35,817,061	5.1
Commercial Loans/Lines of Credit Not Real Estate Secured	88,067	0.0
Total Loans	703,731,777	100.0
<i>Source: Reports of Income and Condition</i>		

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

DESCRIPTION OF ASSESSMENT AREA

According to CRA regulations, an institution shall delineate one or more assessment areas within which the institution will meet the credit needs and by which the Division will evaluate the institution's CRA performance. In accordance with 209 CMR 46.41, Harvard University Employees Credit Union delineates its membership as its assessment area. Credit Unions whose membership by-law provisions are not based upon geography are permitted to designate its membership as its assessment area. Therefore, since the credit union has defined its membership as its assessment area, as opposed to geographic area, an evaluation of credit extended within defined geographic areas was not conducted.

Examiners used the 2018 and 2019 FFIEC estimated median family income levels to analyze home mortgage loans under the Distribution of Credit Among Different Income Levels criterion. The following table presents the low-, moderate-, middle-, and upper-income categories for the Boston, MA MD and the Cambridge-Newton-Framingham, MA MD, within which the majority of the credit union's field of membership is located.

Median Family Income Ranges				
Median Family Incomes	Low <50%	Moderate 50% to <80%	Middle 80% to <120%	Upper ≥120%
Boston, MA MD Median Family Income (14454)				
2018 (\$99,300)	<\$49,650	\$49,650 to <\$79,440	\$79,440 to <\$119,160	≥\$119,160
2019 (\$99,300)	<\$49,650	\$49,650 to <\$79,440	\$79,440 to <\$119,160	≥\$119,160
Cambridge-Newton-Framingham, MA MD Median Family Income (15764)				
2018 (\$110,300)	<\$55,150	\$55,150 to <\$88,240	\$88,240 to <\$132,360	≥\$132,360
2019 (\$110,300)	<\$55,150	\$55,150 to <\$88,240	\$88,240 to <\$132,360	≥\$132,360
<i>Source FFIEC 2018 and 2019</i>				

CONCLUSIONS ON PERFORMANCE CRITERIA

LENDING TEST

Harvard University Employees Credit Union demonstrated reasonable performance under the Lending Test.

Loan-to-Share Ratio

The average LTS ratio is more than reasonable given the credit union's size, financial condition, and assessment area credit needs. The credit union's LTS ratio, calculated from Call Report data, averaged 110.5 percent over the last eight quarters from September 30, 2018 to June 30, 2020. The ratio ranged from 116.4 percent as of December 31, 2018 to 102.3 percent as of June 30, 2020.

Borrower Profile

The distribution of home mortgage loans reflects reasonable penetration to individuals of different income levels.

In 2018, the credit union originated 3.1 percent of loans to low-income borrowers and 11.3 percent of loans to moderate-income borrowers. In 2019, the level of lending to low-income borrowers decreased to 1.1 percent while lending to moderate-income borrowers increased to 13.9 percent.

Please refer to the table below for more information.

Distribution of Home Mortgage Loans by Borrower Income Level				
Borrower Income Level	#	%	\$	%
Low				
2018	17	3.1	3,044,905	1.5
2019	5	1.1	897,291	0.5
Moderate				
2018	62	11.3	11,570,300	5.6
2019	66	13.9	15,624,509	8.7
Middle				
2018	147	26.9	47,444,751	22.8
2019	136	28.7	44,328,285	24.7
Upper				
2018	321	58.7	146,415,859	70.2
2019	267	56.3	118,954,953	66.2
Totals				
2018	547	100.0	208,475,815	100.0
2019	474	100.0	179,805,038	100.0
<i>Source: 2018 and 2019 HMDA Data</i>				

Response to CRA Complaints

The credit union did receive any CRA-related complaints during the evaluation period.

Fair Lending Policies and Procedures

The Division of Banks provides comments regarding the institution's fair lending policies and practices pursuant to Regulatory Bulletin 1.3-106. Based on a review of the credit union's public comment file and its performance relative to fair lending policies and practices, no violations of the anti-discrimination laws and regulations were identified.

COMMUNITY DEVELOPMENT TEST

Harvard University Employees Credit Union demonstrates reasonable responsiveness to the assessment area's community development needs through qualified development loans, qualified investments, and community development services. The credit union's community development lending primarily supports the Community Development Test rating.

Community Development Loans

The credit union originated 325 community development loans totaling approximately \$2.0 million during the evaluation period.

Over the examination period, the credit union originated 129 Mass Save HEAT Loans totaling approximately \$1.5 million to low and moderate-income borrowers. These community development loans assisted low and moderate-income borrowers and are responsive to the community development needs. As part of the Mass Save HEAT Loan program, eligible borrowers may obtain an unsecured interest-free HEAT Loan up to \$25,000 with terms up to five years for the installation of energy efficient improvements. To be eligible for the program, borrowers must own a one to four family home and have been approved by Mass Save after completing the Mass Save Home Energy Assessment.

The credit union partners with the Harvard Union of Clerical and Technical Workers (HUCTW) and offers three interest-free loan types to help its members with rental housing transition costs, moving expenses, and emergency hardships. During the examination period, the credit union originated 196 loans to low and moderate-income borrowers totaling \$464,970.

Qualified Investments

The credit union made 25 donations totaling \$100,280 that were considered qualified and met the definition of community development. Below is a list of some of the organizations that benefited from these donations.

- *Philip Brooks House Association* – The Philip Brooks House Association is a student-lead

organization focused on mobilizing volunteers to address gaps in opportunities and resources.

- ***Cambridge Family and Children's Service*** – Cambridge Family and Children's Service is a multi-service agency that provides intervention to at-risk families, placement services for children and youth through adoption, placements for children in foster care with intensive needs, residential programs, and services to children and adults with disabilities and their families.
- ***Somerville Homeless Coalition*** – The mission of the Somerville Homeless Coalition is to provide homeless and near homeless individuals and families with individualized supportive services and tailored housing solutions with a goal of obtaining and maintaining affordable housing.
- ***Boston Food Bank*** – The Boston Food Bank is committed to providing three meals a day to every person in need in Eastern Massachusetts while supporting healthy lives and healthy communities.

Community Development Services

Financial Literacy Programs and Educational Seminars

During 2018 and 2019, credit union employees facilitated numerous seminars for high school, college, and graduate students, in addition to individuals seeking information on how to purchase a home.

A portion of the credit union's programs are dedicated to students seeking assistance on how to manage their finances and budget while in school. The credit union hosted seminars on advising prospective and current students on how to secure and manage student loans.

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.

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. Census tract boundaries normally follow visible features, but they may follow governmental unit boundaries and other non-visible features in some instances. They always nest within counties. Census tracts average about 4,000 persons, and their physical size varies widely depending upon population density. Census tracts are designed to be homogenous for population characteristics, economic status, and living conditions to allow for statistical comparisons.

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; or
- (5) Enable or facilitate projects or activities that address needs regarding foreclosed or abandoned residential properties in designated target areas.

Community Development Corporation (CDC): A CDC allows banks and holding companies to make equity type of investments in community development projects. Bank CDCs can develop innovative debt instruments or provide near-equity investments tailored to the development needs of the community. Bank 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 bank:
 - (i) Has not been reported or collected by the bank or an affiliate for consideration in the bank'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 bank's assessment area(s) or a broader statewide or regional area including the bank's assessment area(s).

Community Development Service: A service that

- (1) Has as its primary purpose community development;
- (2) Is related to the provision of financial services; and
- (3) Has not been considered in the evaluation of the bank'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 Areas (CBSAs): 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).

Family Income: Includes the income of all members of a family that are age 15 and older.

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 (for example, geographic distribution, borrower profile, and total number and dollar amount of investments), and qualitative factors (for example, 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 Disclosure Loan Application Register (HMDA LAR): The HMDA LARs record all applications received for residential purchase, refinance, home improvement, and temporary-to-permanent construction loans.

Home Mortgage Loans: Includes home purchase and home improvement loans as defined in the HMDA regulation. This definition also includes multi-family (five or more families) dwelling loans, loans to purchase manufactured homes, and refinancings of home improvement and home purchase loans.

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.

Household Income: Includes the income of the householder and all other persons that are age 15 and older in the household, whether related to the householder or not. Because many households are only one person, median household income is usually less than median family income.

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 (for example, 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.

Micropolitan Statistical Area: CBSA associated with at least one urbanized area having a population of at least 10,000, but less than 50,000.

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: 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 more than 120 percent of the area median income, or a median family income that is more than 120 percent 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, and the Uniform Interagency Community Reinvestment Act (CRA) Guidelines for Disclosure of Written Evaluations require 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 (Address at main office)."

[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 agencies, 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.