



Community Reinvestment Act Public File

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**COMMUNITY REINVESTMENT ACT NOTICE
FOR
F&M BANK
GRANITE QUARRY, NORTH CAROLINA**

Under the Federal Community Reinvestment Act (CRA), the Federal Deposit Insurance Corporation (FDIC) evaluates our record of helping to meet the credit needs of this community consistent with safe and sound operations. The FDIC also takes this record into account when deciding on certain applications submitted by us.

Your involvement is encouraged.

You are entitled to certain information about our operations and our performance under the CRA, including, for example, information about our branches, such as their location and services provided at them; the public section of our most recent CRA Performance Evaluation, prepared by the FDIC; and comments received from the public relating to our performance in helping to meet community credit needs, as well as our responses to those comments. You may review this information today.

At least 30 days before the beginning of each quarter, the FDIC publishes a nationwide list of banks that are scheduled for CRA examinations in that quarter. This list is available from the Regional Director, Division of Compliance and Consumer Affairs, FDIC, 10 Tenth Street, NE, Suite 800, Atlanta, Georgia, 30309. You may send written comments about our performance in helping to meet community credit needs to Bob Honeycutt, Executive Vice-President/CRA Officer, 221 North Main Street, Salisbury, North Carolina, 28144 and the FDIC Regional Director. You may also submit comments electronically through the FDIC's Web site at <https://cra.fdic.gov/>. Your letter, together with any response by us, will be considered by the FDIC in evaluating our CRA performance and may be made public.

You may ask to look at any comments received by the FDIC Regional Director. You may also request from the FDIC Regional Director an announcement of our applications covered by the CRA filed with the FDIC. We are an affiliate of F&M Financial Corporation, a bank holding company. You may request from the Executive Vice-President/CRA Officer, at 221 North Main Street, Salisbury, North Carolina, 28144 and the Federal Reserve Bank of Richmond, 701 E. Byrd Street, PO Box 27622, Richmond, Virginia, 23261 an announcement of applications covered by the CRA filed by bank holding companies.

This Notice was approved by the Board of Directors on March 11, 2025.

J. Steven Fisher, CEO/ Chairman
Board of Directors of F&M Bank

**COMMUNITY REINVESTMENT ACT STATEMENT
FARMERS & MERCHANTS BANK
PO BOX 307
GRANITE QUARRY, NC 28072**

I. Introduction

The Bank affirms its continuing intention of determining and helping to meet the credit needs of Rowan, Cabarrus, Wake and bordering counties, including low and moderate income neighborhoods, consistent with the safe and sound operations of the Bank. No loan applicant will be discriminated against on the basis of race, color, religion, sex, sexual preference, national origin, marital or familial status, age (over that of majority), handicap, receipt of public assistance, good faith exercise of rights under the Federal Consumer Protection Act (the prohibited basis), or residing in/or buying property in low-moderate income areas.

II. Delineation of Local Community

The local community served by the Bank has been delineated by the Bank's Board of Directors in compliance with the Community Reinvestment Act of 1977 and the regulations applicable to this Bank. The delineation is not intended to indicate that this Bank will not serve customers outside of the area delineated.

A. Basis of Establishing Boundaries

The local community delineated is based upon existing boundaries for Rowan County, Cabarrus County and Wake County, North Carolina, with strongest emphasis on central, southern, and eastern Rowan County.

B. Boundaries of Community Being Served

The primary service area is central, southern and eastern Rowan County. The secondary area is Rowan, Cabarrus and Wake counties and their surrounding counties.

III. Determining Financial Needs of Low to Moderate Income Areas

The Bank's Board of Directors encourages the management of the Bank to provide for the financial needs of the entire market area. F&M Bank uses several methods of determining if it is meeting the credit and banking needs of its market area.

- A. The officers and directors are involved in civic organizations and various boards of non-profit community organizations such as The Salvation Army, Habitat for Humanity, United Way, Economic Development Corporation, YMCA, Salisbury Community Development Corporation, Waterworks Visual Arts Center, Community Care Clinic, Rowan County Chamber of Commerce, Downtown Salisbury, Inc., Main Street Mission, Meals on Wheels, Communities in Schools, PowerCross Ministries, Boys & Girls Club in Cabarrus County, Concord Downtown Development Corp, We Build Concord, Next Generation Academy, Rowan NAACP, and Rowan Helping Ministries. Reports of community activities are kept in files of the CRA Administrator.
- B. F&M Bank is a partner with the Salisbury Community Development Corporation by establishing loans for working capital to be used specifically to purchase and renovate distressed properties which will be sold at market value to qualified LMI buyers. The Bank has created the loan structure to allow the SCDC to achieve their goal of self-sustainability for future lending to LMI borrowers.
- C. F&M is participating in the "Carolina across 100" initiative - "Our State, Our Homes" designed to improve access to and availability of affordable housing in our state.
- D. Two needs have been identified as ongoing problems for low-to-moderate income individuals:
 - 1. Need for long-term, fixed rate loan programs with more liberal underwriting standards than the secondary market allows for home loans
 - 2. Lack of education in low-to-moderate income areas as to access to home loan programs.

- E. F&M Bank has addressed these problems by:
1. The establishment of a Low-to-Moderate Income (LMI) loan product with relaxed credit underwriting in an effort to attract qualified applicants while maintaining safety and soundness.
 2. Helping new homeowners to enroll in the first time home buyers program conducted by the Salisbury Community Development Corporation.

IV. Types of Credit

The Bank is prepared to extend the following types of credit in the local community delineated, consistent with the safe and sound operation of the Bank and to the extent that capital is available.

- A. Closed-end loans for personal, household and family purposes (consumer credits)
1. Auto and truck loans
 2. Recreational Loans
 3. Personal expenses
- B. Open-end credit for personal, household and family purposes including
4. Overdraft checking (Credit Reserve, Courtesy Coverage)
 5. Home equity lines (Primelines)
- C. Housing related loans, including:
6. Home improvement loans
 7. Loans to purchase residential lots for subsequent home construction
 8. Loans for single-family residential construction
 9. Loans for 1-4 family dwelling and larger apartment complexes
 10. Community development loans (direct as well as through local public agencies)
 11. 15 to 30 year mortgage loans through secondary market
 12. Adjustable rate mortgages
 13. LMI Loan Product
- D. Loans to local businesses of all sizes including
14. Short-term credit for general working capital
 15. Business term loans
 16. Commercial and Industrial loans
 17. Term loans for real estate
 18. Letters of credit
- E. Loans for agriculture purposes including
19. Short-term credit for general working capital
 20. Purchase of farm equipment
 21. Purchase of real estate
- F. Loans to local governments
22. Loans to rescue squad
 23. Loans to volunteer fire department
 24. Loans to municipalities
 25. Loans to YMCA's
- G. In addition, F&M Bank will support and participate in the following loan programs:
26. Small Business Administration for business loans and other services to small businesses
 27. Federal Home Loan Bank
 28. Community Investment Corporation of North Carolina (CICNC), for low-to-moderate income housing needs sponsored by the NC Bankers Association
 29. Salisbury Community Development Corporation, financing for low-to-moderate income homeowners
 30. F&M Bank also purchases, when available, local city and/or county bonds as a means of assisting in community development.
 31. Elan Credit Card Program

32. Federal Home Loan Bank of Atlanta Affordable Housing Program (Community Partners)
33. We Build Concord

V. Low Income/Low Activity Checking

- a. F&M Bank offers “Simply Yours Checking” for customers who need access to bank services, but do not have high activity or minimum balances.
- b. The Bank also offers “Simply Prime Checking,” a checking account that offers a low or no fee option for customers 62 or older.
- c. F&M Bank also offers a “Core Savings” account that makes it easy for anyone to save. This account has a minimum opening balance of \$25.00. Thus, providing a lower minimum deposit requirement in order to start saving.
- d. The Bank offers a “Christmas Club” account which helps one save for the holidays all year long. This allows the customer to be prepared with cash for holiday expenditures versus possibly over extending themselves financially.
- e. The Bank has created the “Access Checking” account, a BankOn certified account, to expand banking opportunities for the unbanked and underbanked. This account provides access to a safe, affordable transactional banking account.

VI. Delivery Systems

- a. F&M Bank’s delivery systems are accessible to essentially all portions of its assessment area. ATM’s, drive-up windows, and 24-hour night depositories are available at all branch locations. F&M also operates one remote ATM located in downtown Salisbury. Telebanking is an automated 24-hour customer access telephone line for balance verification, account inquiries, and transfers. F&M offers an online Loan Payment Portal as well as online banking for intra-bank transfers, account balances, Bill Pay and statements, as well as, Mobile Banking, Mobile Deposits, P2P, Apple Pay/Google Pay, and Zelle ®.

Approved by the Board of Directors on March 11, 2025.

J. Steven Fisher, CEO / Chairman
Farmers & Merchants Bank



Branch Closing & Reduction in Available Services Policy

Approved by the Board of Directors on 3/11/2025

POLICY STATEMENT

It is the policy of F&M Bank to set forth guidelines for closing branch locations as well as establishing a reduction in available services at existing offices. First and foremost, any actions by the Bank regarding branching activities will be done within safety and soundness considerations and without respect to discrimination of any type. In addition, all decisions by the Board and Bank Management will be made in accordance with requirements of Section 42 of the Federal Deposit Insurance Act (FDIC).

DUE DILIGENCE

In determining the closing of a branch location(s), profitability is a significant factor. Due diligence will be performed and a decision made after:

- Attempts have been made, through marketing campaigns or otherwise, to return the branch to profitability; specifically, such as comparison to other branch offices and to projections and expectations of the subject branch;
- Adjustments in the range of services, size and configuration of facilities, automation and/or adjustments in hours of operation; and
- Bank representatives have met with community leaders to discuss community concerns and impact upon the local neighborhood of closing or reduction in available services of the targeted branch.

Throughout the process, the Bank will conduct all research, communications with community leaders, and communications the regulatory agencies and Bank customers with honesty, integrity and fair dealing. These principles are at the core of F&M Bank. The Bank will respond to customer concerns promptly and courteously.

REGULATORY NOTICE AND REQUIREMENTS

If the Board and Management determine to close a branch, Bank Management will:

- Provide prior notification of any branch closing to the FDIC no later than 90 days prior to the proposed closing date. This notification will describe the reason(s) for the bank's decision and will contain information to support that decision.
- Provide adequate notice of the proposed closing to its customers at least 90 days prior to the proposed closing of the branch. This notice will contain the location of the branch to be closed, the proposed closing date, and the address and phone number of other F&M Bank offices where customers may obtain service following the closing date. In addition, the FDIC's address will be provided so those customers may forward comments concerning the proposed closure to the FDIC for its consideration.
- Post a notice in the subject branch no later than 30 days prior to the proposed closing date. This notice will state the proposed closing date and identify the branch where customers may obtain service following the closing date. The state's address will also be included on this notice.

ENFORCEMENT AND OVERSIGHT

The Board of Directors has the authority to approve and enforce this Branch Closing & Reduction in Available Services Policy.

Changes to this policy require approval by the Bank's Board of Directors; however, senior management is responsible for ensuring that the policy is implemented and administered in compliance with this policy.

Changes to any corresponding operating procedures may be approved by the appropriate senior manager over the impacted area in consultation with the Risk Officer.

It is the responsibility of each employee and director to comply with this policy and any applicable laws, rules, regulations, and, if appropriate, regulatory issued guidance.

AUDIT AND MONITORING

The Board of Directors hereby directs the CRA Officer, with the assistance of the Sr. Risk Officer and/or Risk Management Committee, to ensure that the above policy/procedures are periodically reviewed, revised, and re-adopted as necessary.

F&M BANK BRANCHES

BRANCH	ADDRESS	TELEPHONE	HOURS OF OPERATION L=Lobby/DT= Drive-Thru	CENSUS TRACT NO.
Faith Teller's Window Transaction Branch Only & ATM	101 S. Main Street Faith, NC 28041	(704)279-7284	DT: Mon-Friday 8:30 AM-5 PM	0510.02
Granite Quarry Branch & ATM (Main Office)	138 N. Salisbury Avenue PO Box 307 Granite Quarry, NC 28072	(704)279-7291	L: Mon-Friday 9 AM-5 PM DT: Mon-Friday 8:30 AM-5 PM	0510.02
Rockwell Branch & ATM	418 W. Main Street Rockwell, NC 28138	(704)279-7281	L: Mon-Friday 9 AM-5 PM DT: Mon-Friday 8:30 AM-5 PM	0510.01
Main Street Branch & ATM	420 N. Main Street Salisbury, NC 28144- 4349	(704)637-1552	L: Mon-Friday 9 AM-5 PM DT: Mon-Friday 8:30 AM-5 PM	0520.00
West Salisbury Branch & ATM	630 Jake Alexander Blvd. W. Salisbury, N C 28147	(704)633-7952	L: Mon-Friday 9 AM-5 PM DT: Mon-Friday 8:30 AM-5 PM	0503.00
Avalon Drive Branch & ATM	102 Avalon Drive Salisbury, NC 28146	(704)630-0825	L: Mon-Friday 9 AM-5 PM DT: Mon-Friday 8:30 AM-5 PM	0502.01
Statesville Blvd. Window Transaction Branch Only & ATM	221 Statesville Blvd. Salisbury, NC 28144	(704)636-6622	DT: Mon-Friday 8:30 AM-5 PM	0505.00
China Grove Branch & ATM	116 N. Main Street China Grove, NC 28023	(704)857-1181	L: Mon-Friday 9 AM-5 PM DT: Mon-Friday 8:30 AM-5 PM	0517.00
Plaza ATM	102 N. Main Street Salisbury, NC 28144	N/A	24 hour access	0520.00
Kannapolis Branch & ATM	2975 Dale Earnhardt Blvd. Kannapolis, NC 28083	(704)788-6300	L: Mon-Friday 9 AM-5 PM DT: Mon-Friday 8:30 AM-5 PM	0407.04
Church Street Branch & ATM	635 N. Church Street Concord, NC 28025	(704)788-6555	L: Mon-Friday 9 AM-5 PM DT: Mon-Friday 8:30 AM-5 PM	0424.01
Trinity Oaks Retirement Community Branch	728 Klumac Road Salisbury, NC 28144	(704)633-1002, Ext. 476	L: Tuesday & Thursday, 10 AM-3 PM	0502.02
Raleigh Branch	6801 Falls of Neuse Rd Suite 100 Raleigh, NC 27615	(919)615-2260	L: Mon-Fri. 9 AM-5 PM	0540.06

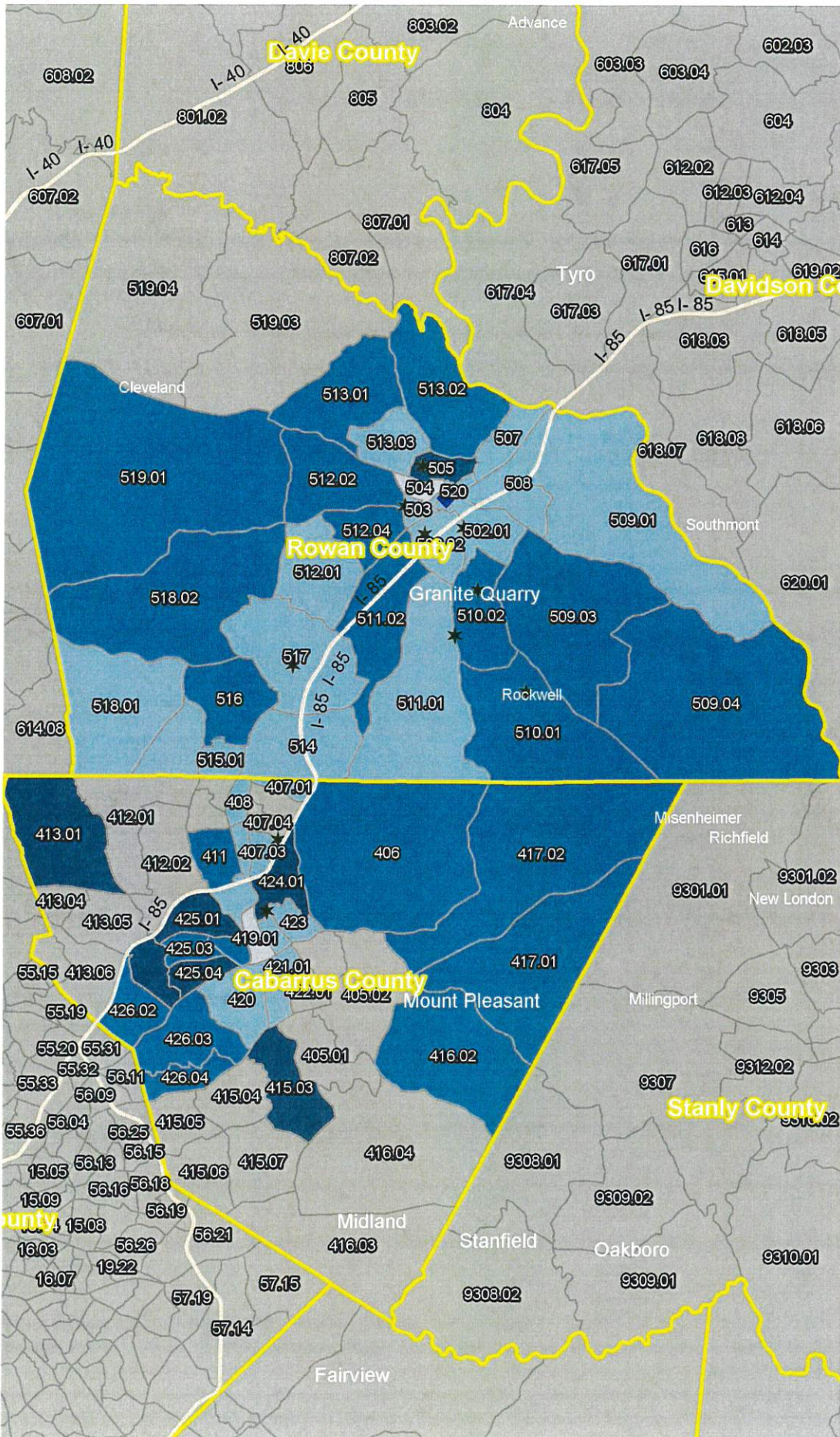
**F&M BANK
BRANCHES OPENED AND/OR CLOSED**

BRANCH	ADDRESS	TELEPHONE	CENSUS TRACT NO.	OPENED/CLOSED	DATE
Statesville Blvd. Express Branch & ATM	221 Statesville Blvd. Salisbury, NC 28144	(704)636-6622	0505.00	Opened	06/19/96
Avalon Drive Branch & ATM	102 Avalon Drive Salisbury, NC 28146	(704)630-0825	0502.01	Opened	07/24/97
Kannapolis Loan Production Office	201 Oak Avenue Kannapolis, NC 28081	(704)932-6100	0407.02	Opened Closed	01/02/03 08/16/04
Plaza ATM	102 N. Main Street Salisbury, NC 28144	N/A	0510.02	Opened	08/12/04
Kannapolis Branch & ATM	2975 Dale Earnhardt Blvd. Kannapolis, NC 28083	(704)788-6300	0407.00	Opened	08/16/04
Trinity Oaks Retirement Community Branch	728 Klumac Road Salisbury, NC 28144	(704)633-1002, Ext. 476	0502.02	Opened	05/25/05
Church Street Branch & ATM	635 N. Church Street Concord, NC 28027	(704)788-6555	0424.01	Opened	08/26/05
Speedway Blvd. ATM	7752 Gateway Lane Concord, NC 28027	N/A	0426.02	Opened Closed	03/14/06 11/1/19
Raleigh Office	6801 Falls of Neuse Rd Suite 100 Raleigh, NC 27615	(919)615-2260	0540.06	Opened	04/15/21

Revised 3/1/2025

FARMERS & MERCHANTS BANK - 2024 HMDA - ASSESSMENT AREA INCOME MAP

Cabarrus Rowan*



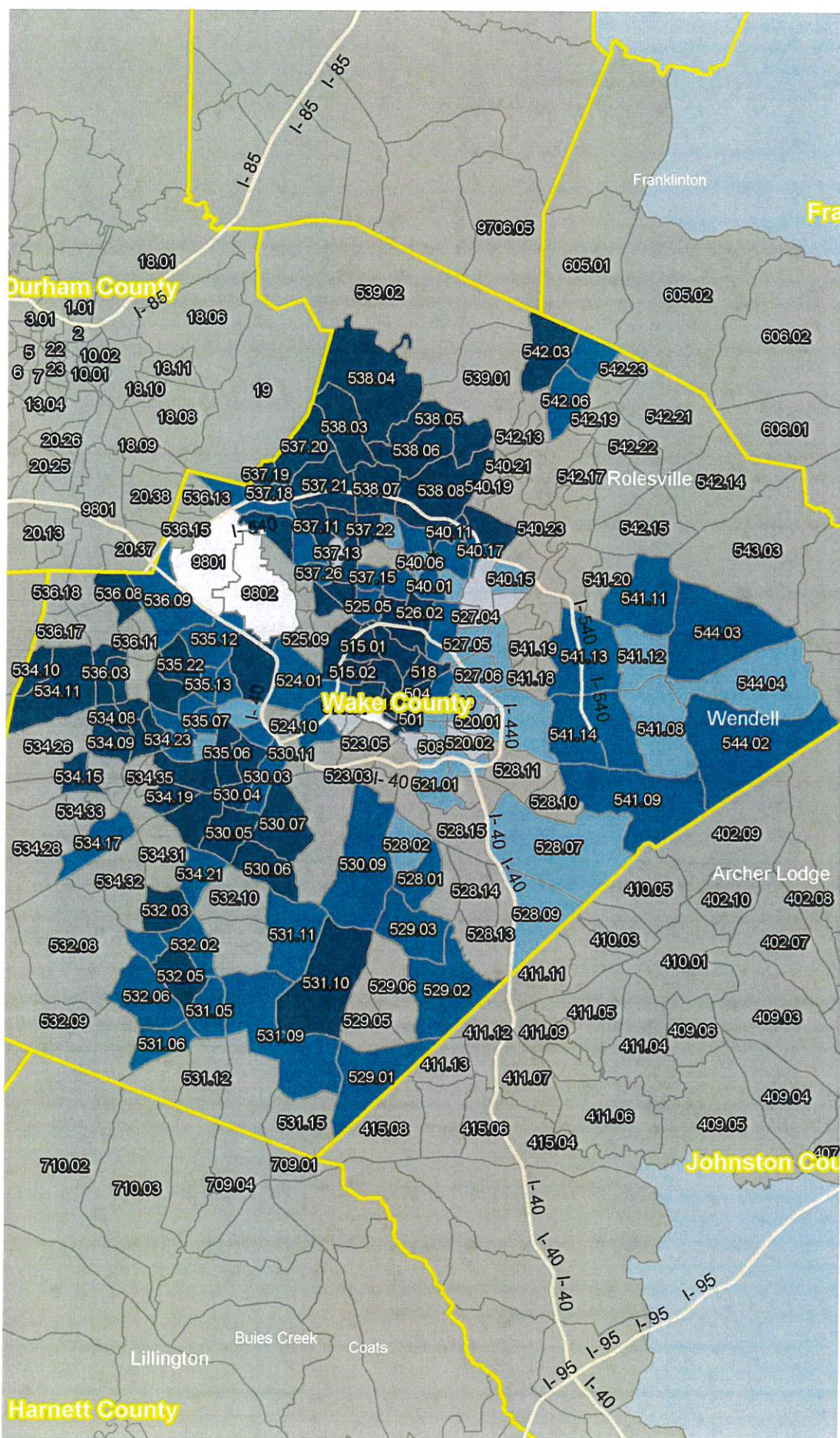
Income Level

- NA
- Low
- Moderate
- Middle
- Upper

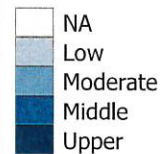
- ★ Bank Branches
- ◆ ATM Locations

FARMERS & MERCHANTS BANK - 2024 HMDA - ASSESSMENT AREA INCOME MAP

Wake County



Income Level



- ★ Bank Branches
- ◆ ATM Locations



Loan/Deposit Ratios

2024

March 31, 2024	67.72%
June 30, 2024	70.22%
September 30, 2024	70.63%
December 31, 2024	70.26%

2023

March 31, 2023	62.72%
June 30, 2023	63.11%
September 30, 2023	62.52%
December 31, 2023	67.46%

2022

March 31, 2022	56.57%
June 30, 2022	56.91%
September 30, 2022	58.37%
December 31, 2022	63.50%



2024 Home Mortgage Disclosure Statement

The HMDA data about our residential mortgage lending are available online for review. The data show geographic distribution of loans and applications; ethnicity, race, sex, age and income of applicants and borrowers; and information about loan approvals and denials.

HMDA data for many other financial institutions are also available online. For more information, visit the Consumer Financial Protection Bureau's website (www.consumerfinance.gov/hmda).

PUBLIC DISCLOSURE

April 4, 2023

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Farmers & Merchants Bank

Certificate Number: 2036

138 North Salisbury Avenue
Granite Quarry, North Carolina 28072

Federal Deposit Insurance Corporation
Division of Depositor and Consumer Protection
Atlanta Regional Office

10 10th Street NE, Suite 800
Atlanta, Georgia 30309-3849

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 federal financial supervisory agency concerning the safety and soundness of this financial institution.

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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 loan-to-deposit ratio is reasonable given the institution's size and financial condition and the assessment area's credit needs.
- The bank made a majority of small business and home mortgage loans in the assessment areas.
- The geographic distribution of loans reflects excellent dispersion throughout the assessment areas.
- The distribution of loans reflects reasonable penetration among individuals of different income levels and businesses of different sizes.

The institution did not receive any CRA-related complaints since the previous evaluation; therefore, this factor did not affect the Lending Test rating.

The Community Development Test is rated Satisfactory.

The institution demonstrated adequate responsiveness to the community development needs of its assessment areas through community development loans, qualified investments, and community development services, as appropriate. Examiners considered the institution's capacity and the need and availability of such opportunities for community development in the assessment areas.

DESCRIPTION OF INSTITUTION

Farmers & Merchants Bank is a \$958.9 million commercial bank headquartered in Granite Quarry, North Carolina. The bank is a wholly-owned subsidiary of Farmers & Merchants Financial Corporation, headquartered in Salisbury, North Carolina. The bank continues to maintain one subsidiary, F&M Investment Services, Inc., which offers investments through a third-party brokerage arrangement with LPL Financial. The bank received a "Satisfactory" rating during its previous FDIC CRA evaluation dated March 23, 2020, based on Interagency Intermediate Small Institution CRA Examination Procedures.

The bank operates 12 branch offices and 13 Automated Teller Machines throughout two assessment areas in North Carolina. The bank opened a new branch in Raleigh, North Carolina in a moderate-income tract on April 16, 2021, resulting in a new assessment area. The bank has not closed any branches, and no merger or acquisition activities have occurred since the previous evaluation.

The bank offers a wide variety of credit products. Farmers & Merchants Bank originates one-to-four family residential mortgage loans, commercial real estate loans, commercial and industrial loans, consumer loans, and construction and land development loans. However, the bank's primary focus is commercial purpose and 1-4 family residential lending. Farmers & Merchants Bank originates home mortgage loans for sale in the secondary market through third party correspondent agreements. The bank participated in the Small Business Administration's (SBA) Paycheck Protection Program (PPP) in 2020 and 2021. In 2020, the bank originated 318 loans totaling \$23.2 million. In 2021, the bank originated 152 PPP loans totaling \$8.7 million.

Deposit products offered include checking, savings, and money market deposit accounts, and certificates of deposit. Alternative banking services include internet banking, electronic bill pay, and mobile banking with remote deposit capture for both consumer and commercial customers.

According to the December 31, 2022, Consolidated Report of Condition and Income, the institution had total assets of \$958.9 million, of which loans comprised \$544.8 million or approximately 56.8 percent. Deposits totaled \$858.0 million. The largest segments of the loan portfolio are commercial purpose and 1-4 family residential secured loans at 44.9 percent and 19.9 percent, respectively. It is noted that 1-4 family residential secured loans do not include the loans that originated and sold through the third-party correspondent. The following table presents the distribution of the loan portfolio by loan type.

Loan Portfolio Distribution as of December 31, 2022		
Loan Category	\$(000s)	%
Construction, Land Development, and Other Land Loans	174,854	32.1
Secured by Farmland	548	0.1
Secured by 1-4 Family Residential Properties	108,292	19.9
Secured by Multifamily (5 or more) Residential Properties	13,620	2.5
Secured by Nonfarm Nonresidential Properties	228,513	41.9
Total Real Estate Loans	525,827	96.5
Commercial and Industrial Loans	16,118	3.0
Agricultural, Production, and Other Loans to Farmers	0	0
Consumer Loans	3,337	0.6
Obligations of State and Political Subdivisions in the U.S.	0	0.0
Other Loans	1,523	0.3
Lease Financing Receivable (net of unearned income)	0	0.0
Less: Unearned Income	2,018	0.4
Total Loans	544,787	100.0
<i>Source: Reports of Condition and Income.</i>		

There are no financial or legal impediments that affect the bank's ability to meet the assessment areas' credit needs.

DESCRIPTION OF ASSESSMENT AREAS

The bank has designated 2 assessment areas. The first assessment area consists of all of Cabarrus and Rowan Counties in North Carolina, which are 2 of 11 counties that make up the Charlotte-Concord-Gastonia, NC-SC Multi-State Metropolitan Statistical Area (MMSA) (Charlotte Metropolitan Statistical Area (MSA) assessment area). The bank has a new assessment area since the previous CRA evaluation with the opening of a full-service branch in Raleigh, North Carolina in April 2021. The bank designated all of Wake County, which is 1 of 3 counties in the Raleigh-Cary, NC MSA (Raleigh MSA assessment area). Refer to the individual assessment areas for additional information.

SCOPE OF EVALUATION

General Information

This evaluation covers the period from the prior evaluation dated March 23, 2020, to the current evaluation dated April 4, 2023. Examiners used the Interagency Intermediate Small Institution Examination Procedures to evaluate the bank's CRA performance. These procedures include two tests: the CRA Small Bank Lending Test and the Community Development Test.

The Charlotte MSA assessment area was evaluated using full-scope procedures, while the Raleigh MSA assessment area was evaluated using limited-scope procedures. The Charlotte MSA assessment area comprises the vast majority of loans reviewed by number (96.7 percent) and dollar volume (92.2 percent), deposits (95.4 percent), and branches (91.7 percent). The Raleigh MSA

assessment area represents limited banking operations with regards to lending, deposits, and branches. Thus, the overall analysis, conclusions, and ratings are predicated upon the performance in the Charlotte MSA assessment area. Detailed below are the loans, deposits, and branches in each assessment area.

Assessment Area Breakdown of Loans, Deposits, and Branches								
Assessment Area	Loans				Deposits		Branches	
	#	%	\$(000)	%	\$(000s)	%	#	%
Charlotte MSA	500	96.7	90,701	92.2	864,960	95.4	11	91.7
Raleigh MSA	17	3.3	7,662	7.8	42,172	4.6	1	8.3
Total	517	100.0	98,363	100.0	907,132	100.0	12	100.0

Source: 2020, 2021, and 2022 HMDA Data; Bank Records; and, FDIC Summary of Deposits (06/30/2022).

Activities Reviewed

Examiners determined that the bank’s major product lines are home mortgage and commercial purpose loans. This conclusion considered the bank’s business strategy and the number and dollar volume of loans originated during the evaluation period. Home mortgage lending was given more weight as the bank has originated more home mortgage loans than small business loans by number of loans and comparable levels by dollar volume. The bank did not originate any small farm loans since the previous evaluation; thus, small farm lending is not included in the review. The following table illustrates loans originated during the previous 12 months from January 31, 2022, through February 24, 2023.

Loans Originated or Purchased				
Loan Category	\$(000s)	%	#	%
Construction and Land Development	193,225	66.5	344	49.7
Secured by Farmland	0	0.0	0	0.0
Secured by 1-4 Family Residential Properties	41,398	14.3	179	25.8
Multi-Family (5 or more) Residential Properties	2,443	0.8	3	0.4
Commercial Real Estate Loans	37,239	12.8	41	5.9
Commercial and Industrial Loans	14,336	4.9	50	7.2
Agricultural Loans	0	0.0	0	0.0
Consumer Loans	1,877	0.7	76	11.0
Other Loans	0	0.0	0	0.0
Total Loans	290,518	100.0	693	100.0

Source: Bank Records.

The bank is required to report home purchase, home refinance, and home improvement loans pursuant to the Home Mortgage Disclosure Act (HMDA). This evaluation considered all home mortgage loans reported in the 2020, 2021, and 2022. The bank originated 279 home mortgage loans totaling \$58.7 million in 2020, 166 home mortgage loans totaling \$32.8 million in 2021, and 118 home mortgage loans totaling \$38.4 million in 2022. Given that the Raleigh MSA assessment area was designated in April 2021, only 2021 and 2022 data was reviewed for the assessment area. Only 2021 HMDA data is presented and discussed as this is the most recent year for which

aggregate data is available. Any anomalies between 2021 performance and 2020 and 2022 performance are also discussed, as applicable.

In addition, this evaluation considered the universe of small business loans originated in 2022 for Assessment Area Concentration and Geographic Distribution. In 2022, 63 small business loans totaling \$13.0 million were originated. For the Borrower Profile analysis, a sample of 27 small business loans totaling \$4.8 million originated within the assessment areas was reviewed as income data was not readily available for the universe of loans.

Examiners reviewed the number and dollar volume of small business and home mortgage loans. However, examiners emphasized performance by number of loans, because the number of loans is a better indicator of the number of businesses and individuals served. Only those loans originated within the assessment areas are included in the Geographic Distribution and Borrower Profile analyses. Two sets of U.S. Census data were used for comparison purposes. The 2010 Census Data was used to analyze lending for 2020 and 2021, and the 2020 U.S. Census Data was used for lending analysis for 2022. The 2022 D&B data provided a standard of comparison for the small business lending, while HMDA aggregate data for 2020 and 2021 were included for comparative analysis of home mortgage lending. HMDA aggregate data for 2022 is not available.

For the Community Development Test, community development loans, qualified investments, and community development services originated and/or performed since the prior CRA evaluation dated March 23, 2020, were reviewed. Twelve small business loans totaling \$5.3 million were removed from the Lending Test analysis and included as community development loans.

CONCLUSIONS ON PERFORMANCE CRITERIA

LENDING TEST

Farmers & Merchants Bank demonstrated satisfactory performance under the Lending Test. Lending levels reflect reasonable performance. The Geographic Distribution of home mortgage and small business loans is excellent, with the distribution of loans to individuals of different incomes and businesses of different sizes considered reasonable. Additionally, the bank made a majority of loans within the assessment areas.

Loan-to-Deposit Ratio

The loan-to-deposit ratio is reasonable given the institution's size and financial condition and the assessment areas' credit needs. The average loan-to-deposit ratio, calculated using Call Report data for the twelve quarters from March 31, 2020, to December 31, 2022, totaled 61.3 percent. During the evaluation period, the loan-to-deposit ratio ranged from a high of 75.4 percent as of March 31, 2020, and a low of 54.7 percent as of December 31, 2021. The loan-to-deposit ratio declined during 2020 and 2021 with the significant inflow of deposits from the Federal stimulus packages as well as a drop in lending demand during the COVID-19 pandemic. It is noted that the bank's level of net loans began increasing again as of June 30, 2021, and have increased quarterly through December 31, 2022, but the level of deposit growth was significantly higher. The loan-to-deposit ratio stood at 62.3 percent as of December 31, 2022. The average loan-to-deposit ratio of peer group banks,

which totaled 72.5 percent, was referenced as no other similarly-situated banks in terms of asset size, product offerings, and assessment areas' served were identified. The peer group consists of insured commercial banks with assets between \$300 million and \$1 billion.

Assessment Area Concentration

Farmers & Merchants Bank originated a majority of home mortgage and small business loans by number and dollar volume within the assessment areas.

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											
2020	225	80.7	54	19.3	279	40,711	69.3	18,024	30.7	58,735	
2021	144	86.8	22	13.2	166	24,676	75.2	8,121	24.8	32,797	
2022	98	83.1	20	16.9	118	23,972	62.4	14,470	37.6	38,442	
Subtotal	467	83.0	96	17.0	563	89,359	68.8	40,615	31.2	129,974	
Small Business											
2022	50	79.4	13	20.6	63	9,003	69.3	3,990	30.7	12,993	

Source: 2020, 2021, and 2022 HMDA Data and Bank Records.

Geographic Distribution

The geographic distribution of loans reflects excellent dispersion throughout the assessment areas. Excellent geographic distribution for both home mortgage and small business loans supports this conclusion. Additionally, the overall performance is predicated upon the performance within the Charlotte MSA assessment area given it accounts for a substantial level of overall bank operations.

Borrower Profile

The distribution of loans reflects reasonable penetration among borrowers of different incomes and businesses of different sizes. Reasonable distributions of both home mortgage and small business loans supports this conclusion. Additionally, the overall performance is predicated upon the performance within the Charlotte MSA assessment area given it accounts for a substantial level of overall bank operations.

Response to Complaints

The institution has not received any CRA-related complaints since the previous evaluation; therefore, this criterion did not affect the Lending Test rating.

COMMUNITY DEVELOPMENT TEST

The institution demonstrates adequate responsiveness to the community development needs of its assessment areas through community development loans, qualified investments, and community development services.

Community Development Loans

The bank originated 49 community development loans totaling \$26.9 million during the evaluation period, which is an increase from the prior evaluation. This level of activity represents 3.1 percent of average total assets and 5.6 percent of average total loans. At the previous evaluation, the bank originated 25 community development loans totaling approximately \$13.5 million, which represented 2.2 percent of average total assets and 3.2 percent of average total loans. The following tables illustrate community development lending activity by year, purpose, and assessment area. Refer to the full-scope assessment area for examples of community development loans.

Community Development Lending										
Activity Year	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
3/23/2020 – 12/31/2020	8	1,807	2	114	2	1,560	5	2,772	17	6,253
2021	6	2,173	3	1,177	3	2,803	1	2,300	13	8,453
2022	5	2,491	4	2,334	4	2,375	4	1,940	17	9,140
YTD 2023	0	0	1	250	0	0	1	2,840	2	3,090
Total	19	6,471	10	3,875	9	6,738	11	9,852	49	26,936

Source: Bank Records.

Community Development Lending										
Assessment Area	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
Charlotte MSA	9	4,761	10	3,875	8	5,288	11	9,852	38	23,776
Raleigh MSA	10	1,710	0	0	1	1,450	0	0	11	3,160
Total	19	6,471	10	3,875	9	6,738	11	9,852	49	26,936

Source: Bank Records.

Qualified Investments

During the evaluation period, the bank made 105 qualified investments, grants, and donations totaling \$1.9 million, representing 0.2 percent of average total assets and 4.7 percent of average total securities as of December 31, 2022. The bank's qualified investment performance as a percent of average total assets is slightly higher than the previous evaluation of 0.04 percent, which consisted of 86 investments totaling \$268,000.

Qualified investments include 104 grants and donations totaling \$367,000, with the largest level benefitting organizations that support community services. These organizations provide vital social services for low- and moderate-income individuals and areas. Additionally, in 2022, the bank purchased a regional mortgage-backed security consisting of home mortgage loans to low- and moderate-income individuals or within low- and moderate-income census tracts. The mortgage-backed security included 1 loan for \$240,000 in the Charlotte MSA assessment area and 4 loans totaling \$1.3 million in the Raleigh MSA assessment area.

The following tables detail the qualified investments by year, purpose, and assessment area.

Qualified Investments										
Activity Year	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
Prior Period	0	0	0	0	0	0	0	0	0	0
3/23/2020 – 12/31/2020	0	0	0	0	0	0	0	0	0	0
2021	0	0	0	0	0	0	0	0	0	0
2022	1	1,504	0	0	0	0	0	0	1	1,504
YTD 2023	0	0	0	0	0	0	0	0	0	0
Subtotal	1	1,504	0	0	0	0	0	0	1	1,504
Qualified Grants & Donations	2	1	92	310	8	53	2	3	104	367
Total	3	1,505	92	310	8	53	2	3	105	1,871

Source: Bank Records.

Qualified Investments by Assessment Area										
Assessment Area	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
Charlotte MSA	2	1	86	303	7	48	2	3	97	355
Raleigh MSA	0	0	6	7	0	0	0	0	6	7
Total	2	1	92	310	7	48	2	3	103	362
Regional/State-wide Activities	1	1,504	0	0	1	5	0	0	2	1,509
Total	3	1,505	92	310	8	53	2	3	105	1,871

Source: Bank Records.

In addition to the regional mortgage-backed security, the bank made a donation for \$5,000 to an organization that focuses on economic development within a regional area that includes one of the assessment areas.

Refer to the full-scope assessment area for additional details and examples of donations.

Community Development Services

During the evaluation period, bank directors and employees provided 44 instances of financial expertise and technical assistance to 21 community service-related organizations within the assessment areas. Activities primarily assisted community organizations in providing community services to low- and moderate-income individuals and neighborhoods. In addition to the 35 community development services provided within the assessment areas, the bank also participated in 9 activities within a broader regional and/or state-wide area that included the assessment areas. The bank’s performance is comparable to the previous evaluation, which included 40 community development services.

The following tables detail the bank’s community development services by year, purpose, and assessment area.

Community Development Services					
Activity Year	Affordable Housing	Community Services	Economic Development	Revitalize or Stabilize	Totals
	#	#	#	#	#
3/23/2020 – 12/31/2020	2	6	4	0	12
2021	2	8	5	0	15
2022	1	9	5	1	16
YTD 2023	0	1	0	0	1
Total	5	24	14	1	44

Source: Bank Records.

Community Development Services by Assessment Area					
Assessment Area	Affordable Housing	Community Services	Economic Development	Revitalize or Stabilize	Totals
	#	#	#	#	#
Charlotte MSA	5	18	8	1	32
Raleigh MSA	0	3	0	0	3
Total in AA	5	21	8	1	35
Regional/State-wide	0	3	6	0	9
Total	5	24	14	1	44

Source: Bank Records.

In addition to the 35 community development services provided within the assessment areas, the bank participated in 9 activities within a broader regional and/or state-wide area that included the assessment areas. The regional and/or state-wide community development services include employees’ continual service on the organizations’ Board and/or committees. The following are examples of the regional and/or state-wide community development services.

- An employee served as lead on a Loan Committee for an organization that assists businesses with SBA 504 loans.
- An employee served on the Board of a regional organization that focuses on economic and

business development and expansion.

Refer to the full-scope assessment area for additional examples of community development services provided.

The bank also offers low-cost checking and savings accounts, which benefit low- and moderate-income individuals.

The bank partners with a local non-profit organization to provide a match savings program, the “Breaking Free Savings” account, to help low-income individuals create savings funds. There are no minimum balance requirements or fees associated with this account. The bank does not currently have any open accounts.

In February 2023, the bank began offering the “Access Account,” which the bank created to the standards of and certified by BankOn. BankOn accounts are recommended and supported by the American Bankers Association and the North Carolina Bankers Association. This account offers a low monthly fee and no overdraft fees, and the bank may offer it as an option for people who have experienced poor account management. While these accounts have lower opening balance requirements, low fees, and no overdraft charges, they still offer access to features like Online Banking, Mobile Banking, and debit card. These accounts intend to encourage unbanked and underbanked clients to participate in the banking system. The bank currently has 7 accounts totaling \$4,027.

In addition, the bank maintains 6 of its 13 offices (46.2 percent) in moderate-income census tracts.

DISCRIMINATORY OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

The bank’s compliance with the laws relating to discrimination and other illegal credit practices was reviewed, including the Fair Housing Act and the Equal Credit Opportunity Act. Examiners did not identify any discriminatory or other illegal credit practices.

CHARLOTTE MSA ASSESSMENT AREA – Full-Scope Review

DESCRIPTION OF INSTITUTION’S OPERATIONS IN THE CHARLOTTE MSA ASSESSMENT AREA

The assessment area consists of all of Rowan and Cabarrus Counties in North Carolina, which are 2 of 11 counties in the Charlotte-Concord-Gastonia, NC-SC MMSA. The bank operates 11 branches in the assessment area representing 91.7 percent of total bank branches. Additionally, the assessment area accounts for 96.7 percent of bank-wide loans by number, 92.2 percent of bank-wide loans by dollar volume, and 95.4 percent of bank-wide deposits.

Economic and Demographic Data

The population and small businesses are fairly well distributed between the moderate- and middle-income census tracts with middle-income geographies accounting for the highest percentage of the owner-occupied housing. The three low-income tracts contain significantly lower levels of population, businesses, and owner-occupied housing, indicating more limited lending opportunities.

The following table illustrates select demographic characteristics.

Demographic Information of the Charlotte MSA Assessment Area						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	78	3.8	34.6	39.7	21.8	0.0
Population by Geography	372,679	2.2	32.1	41.2	24.6	0.0
Housing Units by Geography	143,154	2.2	35.8	41.2	20.8	0.0
Owner-Occupied Units by Geography	90,879	1.2	29.5	44.3	25.0	0.0
Occupied Rental Units by Geography	36,101	4.1	49.4	33.8	12.7	0.0
Vacant Units by Geography	16,174	3.8	40.9	40.2	15.2	0.0
Businesses by Geography	37,973	2.5	31.3	35.8	30.4	0.0
Farms by Geography	1,183	1.3	26.7	51.8	20.2	0.0
Family Distribution by Income Level	90,057	24.4	17.9	21.0	36.6	0.0
Household Distribution by Income Level	126,980	25.2	17.4	18.6	38.8	0.0
Median Family Income - Charlotte-Concord-Gastonia, NC-SC MMSA	\$80,486	Median Housing Value				\$187,257
		Median Gross Rent				\$906
		Families Below Poverty Level				9.2%
<i>Source: 2020 U.S. Census and 2022 D&B Data. Due to rounding, totals may not equal 100.0 percent. (* The NA category consists of geographies that have not been assigned an income classification.</i>						

The FFIEC median family incomes (MFI) for the Charlotte-Concord-Gastonia, NC-SC MMSA are used to analyze home mortgage 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%
2020 (\$74,200)	<\$37,100	\$37,100 to <\$59,360	\$59,360 to <\$89,040	≥\$89,040
2021 (\$77,300)	<\$38,650	\$38,650 to <\$61,840	\$61,840 to <\$92,760	≥\$92,760
2022 (\$91,700)	<\$45,850	\$45,850 to <\$73,360	\$73,360 to <\$110,040	≥\$110,040

Source: FFIEC

Service industries represent most businesses, followed by retail trade, finance and insurance, and construction. In addition, 62.0 percent of area businesses have four or fewer employees. According to Rowan Economic Development, the top employers in Rowan County are Food Lion, Rowan Salisbury Schools, VA Medical Center, Daimler Manufacturing, and Novant Health. Top employers in Cabarrus County, according to Cabarrus Economic Development, are Atrium Health, Amazon, Hendrick Motorsports, Shoe Show, and Speedway Motorsports.

According to the Bureau of Labor Statistics, unemployment rates have declined over the evaluation period. Cabarrus County unemployment rates have been slightly lower than the Charlotte MMSA and North Carolina state levels. Rowan County unemployment rates have been slightly higher than the Charlotte MMSA and North Carolina levels.

Unemployment Rate Percentages			
	2020	2021	2022
Cabarrus County	6.7	4.4	3.0
Rowan County	7.7	5.0	3.1
Charlotte MMSA	7.0	4.6	3.1
North Carolina	7.2	4.9	3.7

Competition

According to the FDIC Deposit Market Share data as of June 30, 2022, 16 financial institutions operate 64 full-service branches within this assessment area indicating high competition. Of these institutions, Farmers & Merchants Bank ranked 3rd with a 14.5 percent deposit market share. The top two financial institutions are Wells Fargo Bank, N.A. with a 27.2 percent market share and Truist Bank with a 16.8 percent market share.

With regard to competition for home mortgage loans, aggregate data for 2021, the most recent year available, shows that 490 lenders reported 21,322 residential mortgage loans indicating a high level of competition. Farmers & Merchants Bank ranked 33rd by the number of loans with a market share of 0.7 percent. The top lender is Rocket Mortgage with a 12.0 percent market share, followed by the State Employees Credit Union at 7.9 percent and Movement Mortgage, LLC at 4.8 percent.

The bank is not required to report its small business loan data and has not elected to do so. Therefore, the bank's small business lending analysis does not include comparisons to aggregate data. The aggregate data, however, indicates the competition and demand for small business loans and is therefore included here as relevant performance context data. Aggregate lending data for 2021, the most recent year available, shows that 113 institutions reported 9,462 small business loans

in this assessment area, indicating a high level of competition for small business loans. The five most prominent small business lenders (American Express National Bank, Wells Fargo Bank, N.A., Bank of America, N.A., Synchrony Bank, and Truist Bank) accounted for 51.0 percent of the total market share by the number of small business loans originated. Aggregate lending data also provides relevant performance context information regarding the level of demand for loans by small businesses. Aggregate lending data for 2021 shows that 46.9 percent of aggregate small business loans were originated to small businesses.

Community Contact

As part of the CRA evaluation process, examiners contact third parties that are active in a bank's assessment area. This information shows what credit and community development opportunities are available and helps determine local financial institutions' responsiveness to these needs. During this evaluation, a contact was conducted with an affordable housing organization. The contact noted that the job market is strong, and the rent amounts have increased to a level that even higher income people are seeking the services of their organization. Additionally, the contact noted that the local banks are very involved in the community.

Credit and Community Development Needs and Opportunities

Considering demographic, economic, and community contact data, examiners determined that affordable housing and small business lending represent primary credit and community development needs and opportunities. The significant percentage of businesses in the assessment area with gross annual revenues of \$1 million or less at 88.9 percent and 42.3 percent of the families are low- or moderate-income. Additionally, the community contact indicated that affordable housing, including rental units, are needed.

CONCLUSIONS ON PERFORMANCE CRITERIA IN THE CHARLOTTE MSA ASSESSMENT AREA

LENDING TEST

The bank demonstrated reasonable performance under the Lending Test. The Geographic Distribution of loans reflects excellent penetration for both home mortgage and small business loans within the low- and moderate-income census tracts. The Borrower Profile reflects reasonable home mortgage and small business lending penetration among individuals of different income levels and businesses of different sizes.

Geographic Distribution

The geographic distribution of loans reflects excellent dispersion throughout the assessment area.

Home Mortgage Loans

The geographic distribution of home mortgage loans is excellent. Lending in low-income tracts is significantly above the demographic and aggregate data for 2021. Lending levels were lower in 2020

and 2021 but remained comparable to demographics and more than double aggregate lending in 2021. Lending in moderate-income census tracts is above demographics and substantially higher than aggregate lending.

Geographic Distribution of Home Mortgage Loans Charlotte MSA Assessment Area						
Tract Income Level	% of Owner-Occupied Housing Units	Aggregate Performance % of #	#	%	\$(000s)	%
Low	1.2	0.8	7	4.9	1,016	4.3
Moderate	33.1	25.7	53	37.3	7,873	33.1
Middle	42.6	39.9	76	53.5	13,664	57.5
Upper	23.1	33.6	6	4.2	1,208	5.1
Totals	100.0	100.0	142	100.0	23,761	100.0

*Source: 2015 ACS; 2021 HMDA Data; and, 2021 HMDA Aggregate Data.
Due to rounding, totals may not add to 100 percent.*

Small Business Loans

The geographic distribution of small business loans is excellent. The bank did not originate any loans in low-income tracts; however, only 2.5 percent of the businesses are within the three low-income tracts, indicating more limited opportunities. For moderate-income tracts, lending was substantially above the demographic data.

Geographic Distribution of Small Business Loans Charlotte MSA Assessment Area					
Tract Income Level	% of Businesses	#	%	\$(000s)	%
Low	2.5	0	0.0	0	0.0
Moderate	31.3	22	53.7	3,166	49.5
Middle	35.8	15	36.6	2,232	34.9
Upper	30.4	4	9.7	995	15.6
Totals	100.0	41	100.0	6,393	100.0

Source: 2022 D&B Data and Bank Records.

Borrower Profile

The distribution of loans reflects reasonable penetration among individuals of different income levels and businesses of different sizes.

Home Mortgage Loans

The distribution of home mortgage loans to borrowers of different income levels is reasonable. Lending to low-income borrowers is more than double aggregate lending for 2021 but below the

demographic data. The percentage of lending to low-income borrowers increased to 19.6 percent in 2022, which is just below the demographics of 24.4 percent. Lending to moderate-income borrowers was comparable to aggregate lending and below demographics.

Distribution of Home Mortgage Loans by Borrower Income Level Charlotte MSA Assessment Area						
Borrower Income Level	% of Families	Aggregate Performance % of #	#	%	\$(000s)	%
Low	23.2	6.6	21	14.8	2,042	8.6
Moderate	20.0	17.7	23	16.2	2,437	10.3
Middle	20.2	21.2	25	17.6	4,011	16.9
Upper	36.6	38.1	60	42.3	13,617	57.3
Not Available	0.0	16.4	13	9.2	1,653	7.0
Totals	100.0	100.0	142	100.0	23,760	100.0

Source: 2015 ACS; 2021 HMDA Data; and, 2021 HMDA Aggregate Data.

Small Business

The distribution of small business loans to businesses of different sizes is reasonable. While the lending level is below demographics, there is significant competition in the assessment area from much larger national and regional banks.

Distribution of Small Business Loans by Gross Annual Revenue Category Charlotte MSA Assessment Area					
Gross Revenue Level	% of Businesses	#	%	\$(000s)	%
<=\$1,000,000	91.1	13	61.9	1,490	49.8
>\$1,000,000	2.4	8	38.1	1,504	50.2
Revenue Not Available	6.5	0	0.0	0	0.0
Totals	100.0	21	100.0	2,994	100.0

Source: 2022 D&B Data and Bank Records.

COMMUNITY DEVELOPMENT TEST

The bank demonstrated adequate responsiveness to the community development needs of the Charlotte MSA assessment area through community development loans, qualified investments, and community development services.

Community Development Loans

The bank originated 38 community development loans totaling \$23.8 million in the Charlotte MSA assessment area.

The following are examples of the community development loans.

- \$1.5 million (three loans) to an organization that develops and renovates affordable housing targeted to low- and moderate-income families.
- \$2.3 million to rehabilitate a vacant building in a moderate-income area targeted for redevelopment by local government.
- \$1.9 million to an organization that provides employment services and job training to low-income individuals.

Qualified Investments

In the Charlotte MSA assessment area, the bank made 97 qualified investments totaling \$355,000. Additionally, \$240,000 of the regional mortgage-backed security directly benefitted the assessment area. Refer the Qualified Investment information within the overall conclusions for additional information.

The following are examples of donations provided.

- \$22,900 to an organization for a food pantry for qualified low- and moderate-income individuals.
- \$18,500 to an organization that works to move people out of crisis, poverty, hunger, and homelessness.
- \$850 to an organization that specializes in home-ownership for low- and moderate-income individuals and families.

Community Development Services

Since the previous evaluation, employees participated in 32 community development services, which is comparable to the 40 qualified services at the previous evaluation.

The following are examples of community development services provided in this assessment area.

- Bank officers served on the Boards of organizations committed to economic development programs designed to stimulate and encourage business and employment.
- Bank officers served on the Boards of organizations that provide food, clothing, and housing assistance to low- and moderate-income individuals.

RALEIGH MSA ASSESSMENT AREA– Limited-Scope Review

DESCRIPTION OF INSTITUTION’S OPERATIONS IN THE RALEIGH MSA ASSESSMENT AREA

The assessment area consists of all of Wake County in North Carolina, which is one of three counties that make up the Raleigh-Cary, NC MSA. The bank operates one branch in the assessment area, which opened in April 2021; thus, creating a new assessment area. The assessment area accounts for 8.3 percent of bank-wide branches, 3.3 percent of bank-wide loans by number, 7.8 of bank-wide loans by dollar volume, and 4.6 percent of bank-wide deposits.

Economic and Demographic Data

The following table illustrates select demographic characteristics of the assessment area.

Demographic Information for the Raleigh MSA Assessment Area						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	230	6.5	17.0	33.5	40.0	3.0
Population by Geography	1,129,410	6.1	16.5	35.3	40.1	1.9
Housing Units by Geography	441,720	6.2	17.2	35.8	39.2	1.6
Owner-Occupied Units by Geography	262,278	3.0	14.8	36.2	44.7	1.3
Occupied Rental Units by Geography	148,274	11.2	21.4	35.3	29.9	2.1
Vacant Units by Geography	31,168	8.7	17.1	35.2	37.0	1.9
Businesses by Geography	184,403	4.9	15.5	34.7	43.7	1.2
Farms by Geography	3,496	3.9	13.7	40.2	40.4	1.8
Family Distribution by Income Level	270,784	19.5	15.7	20.4	44.4	0.0
Household Distribution by Income Level	410,552	21.3	16.3	17.9	44.5	0.0
Median Family Income - Raleigh-Cary, NC MSA		\$96,929	Median Housing Value			\$309,723
			Median Gross Rent			\$1,221
			Families Below Poverty Level			5.4%
<i>Source: 2020 U.S. Census and 2022 D&B Data. Due to rounding, totals may not equal 100.0 percent. (*) The NA category consists of geographies that have not been assigned an income classification.</i>						

The FFIEC MFIs for the Raleigh-Cary, NC MSA are used to analyze home mortgage 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%
2020 (\$94,100)	<\$47,050	\$47,050 to <\$75,280	\$75,280 to <\$112,920	≥\$112,920
2021 (\$95,700)	<\$47,850	\$47,850 to <\$76,560	\$76,560 to <\$114,840	≥\$114,840
2022 (110,100)	<\$55,050	\$55,050 to <\$88,080	\$88,080 to <\$132,120	≥\$132,120

Source: FFIEC

The service industries represent the largest portion of businesses followed by finance and insurance, retail trade, and construction. In addition, 59.4 percent of area businesses have four or fewer employees. According to the Wake County Economic Development, major employers in Wake County are Duke University and Duke Health Systems, State of North Carolina, Wake County Public School System, Wal-Mart, University of North Carolina at Chapel Hill, and WakeMed Health and Hospitals.

According to the Bureau of Labor Statistics, unemployment rates have declined over the evaluation period, and the rates in Wake County have been similar to the Raleigh MSA and lower than the North Carolina State overall percentage.

Unemployment Rate Percentages			
	2020	2021	2022
Wake County	6.2	4.0	2.6
Raleigh MSA	6.2	4.0	2.7
North Carolina	7.2	4.9	3.7

Competition

According to the FDIC Deposit Market Share data, as of June 30, 2022, 35 financial institutions operate 236 full-service branches within this assessment area, indicating a high level of competition. Of these institutions, Farmers & Merchants Bank ranked 28th with a 0.1 percent deposit market share. The top three financial institutions by deposit market share are First Citizens Bank & Trust Company (32.4 percent), Wells Fargo Bank, N.A. (17.6 percent), and Truist Bank (14.1 percent).

Regarding competition for home mortgage loans, aggregate data for 2021, the most recent year available, shows that 689 lenders reported 77,467 residential mortgage loans indicating a high level of competition. Farmers & Merchants Bank ranked 461st by number of loans with a market share of 0.01 percent. The top lender is Rocket Mortgage with a 9.2 percent market share, followed by the State Employees Credit Union at 7.1 percent and Coastal Federal Credit Union at 4.3 percent.

The bank is not required to report its small business loan data, and it has not elected to do so. Therefore, the analysis of the bank's small business lending does not include comparisons to aggregate data. The aggregate data, however, indicate the competition and the level of demand for small business loans and is therefore included here as relevant performance context data. Aggregate lending data for 2021, the most recent available, shows that 173 institutions reported 38,326 small business loans in this assessment area, indicating a high level of competition for small business loans. The five most prominent small business lenders (American Express National Bank, Wells

Fargo Bank, N.A., Bank of America, N.A., JPMorgan Chase Bank, and Truist Bank) account for 54.2 percent of the total market share by the number of small business loans originated. Aggregate lending data also provides some relevant context information regarding the level of demand for loans by small businesses. Aggregate lending data for 2021 shows that 46.9 percent of aggregate small business loans were originated to small businesses.

CONCLUSIONS ON PERFORMANCE CRITERIA IN WAKE COUNTY

LENDING TEST

The institution's lending performance in the Raleigh MSA assessment area is below the lending performance for the institution; however, it does not change the conclusion for the institution's rating.

Home Mortgage Loans

In 2021, the bank originated two home mortgage loans totaling \$916,000 in the assessment area. Both were located in upper-income census tracts and originated to upper-income borrowers. In 2022, the bank originated six home mortgage loans totaling \$4.1 million in the assessment area. Two loans each were located in moderate-, middle-, and upper-income census tracts. Six home mortgage loans did not have income available. The remaining loan was originated to a moderate-income borrower.

Small Business Loans

In 2022, the bank originated nine small business loans totaling \$2.6 million in the assessment area. One loan for \$568,000 was originated in a low-income tract, with none in moderate-income tracts. The sampled small business loans included six totaling \$1.8 million in the assessment area. All loans were originated to small businesses.

COMMUNITY DEVELOPMENT TEST

The institution's community development performance in the assessment area is consistent with the institution's community development performance overall.

Details on the level of community development loans, qualified investments, and community development services within the assessment area are provided in the overall conclusions.

APPENDICES

INTERMEDIATE SMALL BANK PERFORMANCE CRITERIA

Lending Test

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

- 1) The bank's loan-to-deposit 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 bank's loans;
- 4) The bank'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 bank'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 bank provides community development services; and
- 4) The bank's responsiveness through such activities to community development lending, investment, and service needs.

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 financial 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.



Written Comments

F&M Bank did not receive any written comments from the public in 2024, 2023, or 2022 relating to the bank's performance in helping to meet community credit needs.



SCHEDULE OF FEES

Effective November 1, 2018

221 N. Main St
Salisbury NC 28144
704.633.1772
fmbnc.com

Branch-Assisted Fees

Account closing within 6 months of opening ¹	\$ 25.00
Account activity printout	\$ 5.00
Account reconciliation	\$ 25.00
Copier service (per document up to 10 copies)	\$ 5.00
Deposit correction	\$ 5.00
Fax service (per document)	\$ 5.00
IRA to IRA custodial transfer processing	\$ 50.00
Notary service (per document)	\$ 3.00
Stop payment order processing	\$ 35.00
Telephone transfer (employee assisted) ¹	\$ 3.00
Unauthorized ACH processing	\$ 10.00

Card Service Fees

ATM deposit corrections	\$ 5.00
ATM transactions at F&M Bank machines	No Charge
ATM balance inquires at non-F&M Bank ATMs (United States) ¹	\$ 3.00
ATM transactions at non-F&M Bank ATMs (United States) ¹	\$ 3.00
ATM balance inquires at non-F&M Bank ATMs (International) ¹	\$ 6.00
ATM transactions at non-F&M Bank ATMs (International) ¹	\$ 6.00
Inactive debit card (after 12 months inactivity)	\$ 10.00
Reissuance of F&M Bank Debit Card	\$ 7.00
Rush mailing of F&M Bank Debit Card	\$ 45.00

Check Fees

Counter checks (5 checks per request)	\$ 5.00
Deluxe check order requests	Varies
Deluxe check order ACH return processing	\$ 40.00
Official check	\$ 8.00
Money order	\$ 5.00
Money order stop payment processing	\$ 35.00

Coin/Currency Fees

Coin supplied per roll	\$ 0.10
Currency supplied per strap	\$ 0.75
Currency deposited per \$100.00	\$ 0.15
Foreign currency processing	\$ 25.00

Inactive Account Fees

Inactive checking account per month (after 12 months inactivity) ¹	\$ 10.00
Inactive money market per month (after 24 months inactivity)	\$ 10.00
Inactive savings account per month (after 24 months inactivity)	\$ 10.00
Escheatment handling (after 5 years inactivity)	\$ 50.00

Note: Please review our Terms and Conditions for additional information on inactive accounts.

Miscellaneous Fees

Collection items (United States)	\$ 20.00
Collection items (International)	\$ 30.00
Deposit and credit verifications	\$ 10.00
Deposited item returned to account	\$ 10.00
Duplicate statement issued per cycle	\$ 5.00
Legal processing for levy or garnishment	\$ 100.00
Reopen closed account processing	\$ 10.00
Returned undeliverable mail	\$ 10.00
Special statement cut off date per month	\$ 20.00

Night Depository Fees

Lock bags	\$ 25.00
Zipper bags	\$ 5.00
Replacement key	\$ 5.00
Per dropped deposit	\$ 1.00

Overdraft Fees

Automated Advance Fee (MyReserve)	\$ 8.00
Automated Advance Fee (CreditReserve)	\$ 8.00
Paid Overdraft Item Fee (CourtesyCoverage) ¹ per presentment/submission*	\$ 35.00
Paid NSF (Overdraft) Item Fee (Non-Sufficient Funds) ¹ per presentment/submission*	\$ 35.00
Returned Item Fee (Non-Sufficient Funds) ¹ per presentment/submission*	\$ 35.00
Charged-off account processing	\$ 35.00

Note: Please review our Terms and Conditions, as well as our Overdraft Solutions Program and Disclosure, for additional information.

**Fees are based on each presentment/submission of an item and if represented can incur multiple fees*

Research Fees

Research or special handling (per hour)	\$ 30.00
Research check image request (per page)	\$ 5.00
Research statement reprint (per statement)	\$ 5.00

Safe Deposit Box Fees

Size 3 x 5	\$ 40.00
Size 5 x 5	\$ 45.00
Size 3 x 10	\$ 60.00
Size 5 x 10	\$ 70.00
Size 10 x 10	\$ 110.00
SDB late payment processing	\$ 10.00
Replacement of lock	\$ 50.00
Drilling of box	\$ 175.00

Note: Not all box sizes are available at all locations.

Wire Transfer Fees

Incoming (Domestic)	\$ 15.00
Outgoing (Domestic)	\$ 25.00
Outgoing (International)	\$ 50.00

1 - Fees noted are not applicable to Access Checking



Products and Services

Personal

Deposit	Bank On-The-Go	Lending
Checking	Online Banking & App Experience	Mortgages
Savings	Mobile Deposit	Home Equity Loans
Money Market	Mobile Wallet	Home Equity Lines of Credit
Retirement Accounts	Touch ID / Face ID	Credit Cards
Certificates of Deposit	In-App, Email & Text Notifications	Personal Loans
Overdraft Solutions	eStatements	CreditReserve
	Debit Cards	
	Debit Card Management	
	Temporarily Suspend Your Debit Card	
	Direct Deposit	
	Person-to-Person Payments	
	ATM Banking	
	Banking by Phone	
	Loan Payment Portal	

Business

Deposit	Bank On-The-Go	Lending
Checking	Cash Management	Term Loans
Savings & Money Market	Online Banking & App Experience	Construction Loans
Overdraft Solutions	Mobile Deposit	Commercial Real Estate
	Mobile Wallet	Lines & Letters of Credit
	Touch ID / Face ID	Credit Cards
	Quickbooks Direct Connect	
	In-App, Email & Text Notifications	
	eStatements	
	Debit Cards	
	Debit Card Management	
	Temporarily Suspend Your Debit Card	
	Direct Deposit	
	ATM Banking	
	Banking by Phone	
	Loan Payment Portal	

Please visit www.fmbnc.com for a full listing on products and services.