



Office of the
Comptroller of the Currency
Washington, DC 20219

INTERMEDIATE SMALL BANK

PUBLIC DISCLOSURE

March 11, 2019

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

First Command Bank
Charter Number 713570

Bank Address

1 Firstcomm Plaza, Fort Worth, TX 76109-4999

Office of the Comptroller of the Currency

9003 Airport Freeway, Suite 275
North Richland Hills, TX 76180-9127

NOTE: This document is an evaluation of this institution's record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods, consistent with safe and sound operation of the institution. This evaluation is not, and should not be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion, or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.

FCB business loans are primarily practice acquisition loans, specifically, dental, medical and veterinary practices. Dental, medical and veterinary practices tend to be located in strip centers and office complexes within highly commercialized areas and opportunities to rent or buy office space within low- and moderate-income tracts tend to be fewer. The bank intends to continue to build its niche for this product within its commercial loan portfolio. Given these facts, the bank's poor lending to LMI tracts is reasonably explained by its performance context.

Responses to Complaints

There were no CRA-related complaints were made against the bank during the evaluation period.

COMMUNITY DEVELOPMENT TEST

FCB's performance under the community development test is satisfactory. The bank's responsiveness to the CD needs of the AA through CD lending, investments, and services is adequate. Our conclusion is based on the bank's level of activity and performance context. The number and amount of CD loans, services, and qualified investments is satisfactory, based on the bank's size, financial condition, and the need and availability of such opportunities in the bank's AA. The bank centers its CD efforts primarily in qualified investments and CD services.

Number and Amount of Community Development Loans

FCB's loan performance reflects adequate responsiveness to CD needs. FCB originated one CD loan in the amount of \$500 thousand to the Senior Housing Crime Prevention Foundation (SHCPF) during the evaluation period. The loan was first originated in March 2011, and is re-underwritten annually after financial information and repayment performance on the loan is considered. The sole objective of SHCPF is to reduce crime in the nation's senior housing facilities and to provide on-going, effective crime prevention programs that promote safe and secure environments for senior housing residents. The proceeds of the loan were used to fund SHCPF's Veteran's Initiative in the state of Texas. Specifically, the bank's funds are used in providing safe, secure, crime-free residences to 20 of the 155 Veterans residing in the Clyde W. Cosper Texas State Veterans Home located at 1300 Seven Oaks Road in Bonham, Texas. Of these residents, 123 of them, or 79 percent, are low-to-moderate income individuals.

Number and Amount of Qualified Investments

During the review period, FCB's CD investments were centered in the CRA Qualified Investment Fund (Fund). The Fund purchases and holds CRA-qualifying investments in the purchasing institution's AA. The bank's current investment totals \$5.75 million. Other qualified investments totaling \$1.34 million include donations from FCB (\$300 thousand) and FCFS (\$1.04 million) to the First Command Educational Foundation (FCEF) during the evaluation period. FCEF was formed in 1983 to provide educational scholarships to military dependents. FCEF administers multiple scholarship programs and endowments that are heavily based on need. In 2001, FCEF expanded its focus to financial education for military personnel and their families. In 2005, the military restriction was lifted and now the foundation focuses on the