

INTERAGENCY BANK MERGER ACT APPLICATION

Check all that apply:

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|--|---|---|
| <p>Type of Filing</p> <input type="checkbox"/> Affiliate/Corporate Reorganization
<input type="checkbox"/> Combination with Interim Depository Institution
<input checked="" type="checkbox"/> Nonaffiliate Combination
<input type="checkbox"/> Other _____ | <p>Form of Transaction</p> <input checked="" type="checkbox"/> Merger
<input type="checkbox"/> Consolidation
<input type="checkbox"/> Purchase and Assumption
<input type="checkbox"/> Branch Purchase of Assets Only
<input type="checkbox"/> Other _____ | <p>Filed Pursuant To</p> <input checked="" type="checkbox"/> 12 U.S.C. 1828(c)(2)(C)
<input type="checkbox"/> 12 U.S.C. 1815(d)(2)
<input type="checkbox"/> 12 U.S.C. 1815(d)(3)
<input type="checkbox"/> 12 U.S.C. 215, 215a-c
<input type="checkbox"/> 12 U.S.C. 1815(a)
<input type="checkbox"/> Other _____ |
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Applicant Depository Institution

FIRST BANK & TRUST	(Cert. No. 14778)
_____ Name	_____ Charter/Docket Number
9816 Slide Road	
_____ Street	
Lubbock	Texas 79424
_____ City	_____ State Zip Code

Target Institution

AIMBANK	(Cert No. 3304)
_____ Name	_____ Charter/Docket Number
337 Phelps Avenue	
_____ Street	
Littlefield	Texas 79339
_____ City	_____ State Zip Code

Resultant Institution (if different than Applicant)

_____ Name	_____ Charter/Docket Number
_____ Street	
_____ City	_____ State Zip Code

Contact Person

Jay Kim	EVP & General Counsel, Heartland Financial USA, Inc.
Dan Patten	EVP Finance & Corporate Development, Heartland Financial USA, Inc.
_____ Name	_____ Title/Employer
1398 Central Avenue	
_____ Street	
Dubuque	Iowa 52001
_____ City	_____ State Zip Code
Jay Kim:	
Dan Patten:	
_____ Telephone Number	_____ Fax Number E-mail Address

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<input type="checkbox"/> 12 U.S.C. 1815(a)
<input type="checkbox"/> Other _____ |
|--|---|--|

Applicant Depository Institution

NEW MEXICO BANK & TRUST (Cert No. 34726)
Name Charter/Docket Number
320 Gold Street S.W.
Street
Albuquerque New Mexico 87102
City State Zip Code

Target Institution

FIRST BANK & TRUST (Cert. No. 14778)
Name Charter/Docket Number
9816 Slide Road
Street
Lubbock Texas 79424
City State Zip Code

Resultant Institution (if different than Applicant)

Name Charter/Docket Number
Street
City State Zip Code

Contact Person

Jay Kim EVP & General Counsel, Heartland Financial USA, Inc.
Dan Patten EVP Finance & Corporate Development Heartland Financial USA, Inc.
Name Title/Employer
1398 Central Avenue
Street
Dubuque Iowa 52001
City State Zip Code
Jay Kim:
Dan Patten:
Telephone Number Fax Number E-mail Address

INTERAGENCY BANK MERGER ACT APPLICATION

- 1. Describe the transaction's purpose, structure, significant terms and conditions, and financing arrangements, including any plan to raise additional equity or incur debt. Also provide the approximate approval date needed to consummate.**

Bank Merger. This application relates to the proposed merger (the "Bank Merger") of AimBank, a Texas state non-member bank with its main office in Littlefield, Texas ("Target"), with and into First Bank & Trust, a Texas state non-member bank with its main office in Lubbock, Texas ("Texas Applicant"). The Bank Merger would occur pursuant to an Agreement of Merger, dated as of February 11, 2020 (the "Bank Merger Agreement"), between Texas Applicant and Target, a copy of which is included as Exhibit A to this application. As a result of the Bank Merger, Texas Applicant would acquire Target's full-service banking locations consisting of the main office and eighteen branch offices in Texas and six full-service banking offices in New Mexico, subject to the later Branch Sale described below. Upon consummation of the Bank Merger, the main office of First Bank & Trust located in Lubbock, Texas will be the main office of the Surviving Bank, and the main office, branches of AimBank will become branch offices of the Surviving Bank, subject to the Branch Sale.

Branch Sale. Following consummation of the Bank Merger, First Bank & Trust as the Surviving Bank, will sell, assign and transfer the banking business of the six New Mexico branches of the Target (the "Branch Sale") to New Mexico Bank & Trust, a New Mexico state non-member bank ("New Mexico Applicant") and a sister bank of Texas Applicant. The Branch Sale will occur pursuant to a Branch Transfer and Assumption Agreement, dated April 4, 2020 (the "Branch Sale Agreement"), a copy of which is included as Exhibit C to this application. Upon consummation of the Branch Sale, the main office of New Mexico Bank & Trust located in Albuquerque, New Mexico will continue to be its main office and the New Mexico branches of AimBank will then become branch offices of the New Mexico Applicant. During the period between the Bank Merger and consummation of the Branch Sale, the New Mexico branches of AimBank will be operated as branch offices of First Bank & Trust.

Purpose

The Bank Merger is intended to expand Texas Applicant's presence in the West Texas market within the Lubbock, Texas, Midland-Odessa, Texas, Amarillo, Texas, and Abilene, Texas Metropolitan Statistical Areas ("Lubbock MSA", "Midland-Odessa MSA", "Amarillo MSA", and "Abilene MSA") and other surrounding West Texas markets; to increase the level of services that can be offered through Target's Texas offices using the product offerings of Texas Applicant and thereby better serving the existing customers of Target; and to maintain the focus of Target, which is consistent with the focus of Texas Applicant, on community banking, including serving small business customers.

The Branch Sale is similarly intended to expand New Mexico Applicant's presence in the New Mexico market within the Albuquerque Metropolitan Statistical Area ("Albuquerque MSA") and other Northeastern New Mexico rural markets; to increase the level of services that can be offered

through Target's New Mexico offices using the product offerings of New Mexico Applicant and thereby better serving the existing customers of Target; and to maintain the focus of Target, which is consistent with the focus of New Mexico Applicant, on community banking, including serving small business customers.

Additionally, after considering Target's prospects, Target believes that the Bank Merger and Branch Sale will allow the combined banks to be better able to grow, gain market share and serve the public in Target's Texas and New Mexico banking markets better than Target could alone. Target also believes that, to the extent additional capital is needed in the future, Heartland would be better positioned to raise capital at a lower cost; thus, ensuring that the combined banks' mission to better serve its existing customers is better protected.

Structure

The Bank Merger involves the merger of Target with and into Texas Applicant, with Texas Applicant being the surviving bank. As a result, Texas Applicant will acquire all the assets and assume all the liabilities of Target, including Target's main office and branch offices, subject to the later Branch Sale described below.

The Bank Merger will occur immediately after the merger of AIM Bancshares, Inc. ("AIM Bancshares"), the sole shareholder of Target, with and into Heartland Financial USA, Inc. ("Heartland"), the sole shareholder of Texas Applicant (the "Holding Company Merger"). The Holding Company Merger will occur pursuant to an Agreement and Plan of Merger, dated February 11, 2020 (the "Holding Company Merger Agreement"), a copy of which is attached as Exhibit B to this application.

Following consummation of the Bank Merger, Texas Applicant will sell, assign and transfer the banking business of the six New Mexico branches of the Target (the "Branch Sale") to New Mexico Bank & Trust, a New Mexico state non-member bank ("New Mexico Applicant") and a sister bank of Texas Applicant.

Significant Terms and Conditions

The Boards of Directors of Target and Texas Applicant have approved the Bank Merger. See Exhibit D and Exhibit E of this application for copies of the resolutions of Target's Board of Directors and the Texas Applicant's Board of Directors, respectively, providing for such approvals. The Boards of Directors of Texas Applicant and New Mexico Applicant have approved the Branch Sale. See Exhibit E and Exhibit F of this application for copies of the resolutions of the Board of Directors of Texas Applicant and New Mexico Applicant, respectively, providing for such approvals.

The Bank Merger is subject to the approval by the Federal Deposit Insurance Corporation (the "FDIC") under the Bank Merger Act, and expiration of the applicable waiting periods, and approval by the Texas Department of Banking. The Branch Sale is subject to the approval by the FDIC under the Bank Merger Act, and expiration of the applicable waiting periods, and approval by the Texas Department of Banking and the Financial Institutions Division of the New Mexico Regulation & Licensing Department.

The Holding Company Merger is not required to be approved by the Board of Governors of the Federal Reserve System. See 12 CFR § 225.12(d)(2). The Holding Company Merger is contingent upon approval of the Holding Company Merger by the shareholders of AIM Bancshares at a meeting to be solicited by a proxy statement/prospectus (the "Proxy Statement/Prospectus") that also relates to the issuance of Heartland common stock in the Holding Company Merger.

The Holding Company Merger Agreement also provides that certain officers and key employees of Target entered into employment agreements in connection with and subject to the consummation of the Bank Merger, a description which can be found in the Confidential Section of this application. The Holding Company Merger Agreement contains certain other described in the Confidential Annexes to the agreement and which are also described in the Confidential Exhibit G of this Application.

Financing Arrangements

Neither the Bank Merger nor the Holding Company Merger is contingent upon financing.

Approximate Approval Date Needed to Consummate

Texas Applicant and Target wish to close the Bank Merger in the third quarter of 2020. The Bank Merger is contingent upon, and will be effective immediately upon consummation of the Holding Company Merger. The Holding Company Merger Agreement provides that if the closing with respect to the Holding Company Merger has not occurred by September 30, 2020, either Heartland or AIM Bancshares can terminate the Holding Company Merger Agreement. Texas Applicant would like to receive approval for the Bank Merger from the FDIC by July 7, 2020.

2. **Provide a copy of (a) the executed merger or transaction agreement, including any amendments, (b) any board of directors' resolutions related to the transaction, and (c) interim charter, names of organizers, and related documents, if applicable.**
 - (a) A copy of the Bank Merger Agreement is included as Exhibit A to this application. A copy of the Holding Company Merger Agreement is included as Exhibit B to this application. A copy of the Branch Transfer and Assumption Agreement is included as Exhibit C to this application.

- (b) A copy of the resolutions of the boards of directors of Target and Texas Applicant related to the Bank Merger are attached as Exhibit D and Exhibit E, respectively, to this application. A copy of the resolutions of the boards of directors of Texas Applicant and New Mexico Applicant related to the Branch Sale are attached as Exhibit E and Exhibit F, respectively, to this application.
- (c) Not applicable.

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

There are no issues relating to the permissibility of the proposal under applicable state or federal laws or regulations.

4. Describe any nonconforming or impermissible assets or activities that Applicant or Resultant Institution may not be permitted to retain under relevant law or regulation, including the method of and anticipated time period for divestiture or disposal.

Texas and New Mexico Applicants will not receive or engage in any nonconforming or impermissible assets or activities as a result of the Bank Merger or Branch Sale that such Applicant would not otherwise be permitted to retain under relevant law or regulation.

5. Provide the indicated financial information and describe the assumptions used to prepare the projected statements, including those about the effect of the merger transaction. Material changes between the date of the financial statements and the date of the application should be disclosed. If there are no material changes, a statement to that effect should be made.

- a. **Pro Forma Balance Sheet, as of the end of the most recent quarter and for the first year of operation after the transaction. Indicate separately for the Applicant and Target Institution each principal group of assets, liabilities, and capital accounts; debit and credit adjustments (explained by footnotes) reflecting the proposed acquisition; and the resulting pro forma combined balance sheet. Goodwill and all other intangible assets should be listed separately on the balance sheet. Indicate the amortization period and method used for any intangible asset and the accretion period of any purchase discount on the balance sheet.**
- b. **Projected Combined Statement of Income for the first year of operation following consummation.**
- c. **Pro Forma and Projected Regulatory Capital Schedule, as of the end of the most recent quarter and for the first year of operation, indicating:**
- **Each component item for Tier 1 (Core) and Tier 2 (Supplementary) Capital, Subtotal for Tier 1 and Tier 2 Capital (less any investment in unconsolidated or non-includable subsidiaries), Total Capital (include Tier 3 if applicable).**
 - **Total risk-weighted assets.**
 - **Capital Ratios: (1) Tier 1 capital to total risk-weighted assets; (2) Total capital to total risk-weighted assets; and (3) Tier 1 capital to average total consolidated assets (leverage ratio).**

Refer to Confidential Exhibit H of this application for information responsive to this Item 5. Confidential Exhibit H also includes common equity Tier 1 capital ratios. There are no material changes between the date of the financial statements in Confidential Exhibit H and the date of this application, except as noted here or as described in Confidential Exhibit H.

On January 1, 2020, Heartland adopted ASU 2016-13, "Financial Instruments - Credit Losses (Topic 326)," commonly referred to as "CECL." As a result of adopting CECL, Heartland increased its allowance for credit losses and unfunded commitments materially in the first quarter of 2020. The pro forma and projected financial information in Confidential Exhibit H incorporates adjustments from the CECL adoption.

In April 2020, Heartland, Texas and New Mexico Applicants, and Target determined to participate in the SBA Paycheck Protection Program "PPP". For the sake of clarity, the PPP loans were not included in the pro forma balance sheet as the loans will be transitory and will not materially impact the bank's regulatory capital ratios due to their regulatory treatment. Similarly, and for conservatism, the earnings from the PPP were not included in projected earnings, yet should provide additional cushion to the earnings projections.

- 6. List the directors and senior executive officers of the Resultant Institution and provide the name, address, position with and shares held in Resultant Institution or holding company, and principal occupation (if a director).**

Refer to Exhibit G of this application for information responsive to this Item 6.

- 7. Describe how the proposal will meet the convenience and needs of the community. For the combining institutions, list any significant anticipated changes in services or products that will result from the consummation of the transaction. If any services or products will be discontinued, describe and explain the reasons.**

The convenience and needs of the communities served by Texas Applicant, New Mexico Applicant and Target will continue to be served by Texas Applicant and New Mexico Applicant following consummation of the Bank Merger and Branch Sale. Texas Applicant and New Mexico Applicant intend to offer bank products and services that are the same or substantially similar to those currently offered by Target, and there will be no adverse changes in products or services that will result from the consummation of the Bank Merger or Branch Sale. Texas Applicant and New Mexico Applicant will offer the customers of Target the expanded range of bank products and services provided by Texas Applicant and New Mexico Applicant to their existing customers. Texas Applicant and New Mexico Applicant offer the bank products and services provided by most Heartland subsidiary banks, and believe that the customers of Target will benefit from the expanded scope of these services.

Heartland understands that Target provides a full range of community banking services in the communities it serves. Heartland believes that Target's activities are consistent with Heartland's community banking philosophy for all of its subsidiary banks and intends to make no significant changes to these services and operations after the Bank Merger or Branch Sale, except, over time, to offer Target customers the expanded range of products and services provided by Heartland's subsidiary banks.

- 8. Discuss the programs, products, and activities of the Applicant or the Resultant Institution that will meet the existing or anticipated needs of its community (ies) under the applicable criteria of the Community Reinvestment Act (CRA) regulation, including the needs of low- and moderate-income geographies and individuals. For an Applicant or Target**

Institution that has received a CRA composite rating of “needs to improve” or “substantial noncompliance” institution-wide or, where applicable, in a state or a multi-state MSA, or has received an evaluation of less than satisfactory performance in an MSA or in the non-MSA portion of a state in which the applicant is expanding as a result of the combination, describe the specific actions, if any, that have been taken to address the deficiencies in the institution’s CRA performance record since the rating.

Texas Applicant (January 1, 2020), New Mexico Applicant (October 1, 2019) and Target (June 1, 2019) all received a “satisfactory” rating in their respective most recent CRA examinations. Texas Applicant and New Mexico Applicant intend to continue to offer the existing products and services of Texas Applicant, New Mexico Applicant and those of Target; and Texas Applicant and New Mexico Applicant therefore believe they will continue to meet the existing needs of its community under applicable CRA criteria and will successfully meet any future needs it identifies in the future. In addition, both the Texas Applicant and New Mexico Applicant will review and revise their CRA assessment areas to appropriately reflect changes in the areas serves by each of them following the Bank Merger and Branch Sale.

- 9. The Riegle-Neal Interstate Banking and Branching Efficiency Act of 1994 imposes additional considerations for certain interstate mergers between insured banks. Savings associations are not subject to 12 U.S.C. 1831u. If subject to these provisions, discuss authority; compliance with state age limits and host state(s) filing requirements; and applicability of nationwide and statewide concentration limits. In addition, discuss any other restrictions that the states seek to apply (including state antitrust restrictions).**

Riegle-Neal Interstate Banking and Branching Efficiency Act of 1994

The transactions contemplated by the Bank Merger and Branch Sale satisfy applicable Texas and New Mexico age limits and Texas Applicant and New Mexico Applicant have taken all actions necessary to meet applicable state filing requirements.

State Restrictions

The Bank Merger would not raise any state antitrust restrictions.

Deposit Concentrations

Neither statewide nor nationwide deposit concentration limits would be exceeded as a result of the Bank Merger.

- 10. List all offices that (a) will be established or retained as branches, including the main office, of the Target Institution, (b) are approved but unopened branch(es) of the Target Institution, including the date the current federal and state agencies granted approval(s), and (c) are existing branches that will be closed as a result of the proposal to the extent the information is available and indicate the effect on the branch customers served. For each branch, list the popular name, street address, city, county, state, and ZIP code.**

- (a) Target maintains the following main office and branch offices, which will be retained by Texas Applicant or New Mexico Applicant following the Branch Sale, as indicated:

ADDRESS	COUNTY	CITY	STATE	ZIP	Retained By
Existing Offices of Target					
AimBank Main Office 337 Phelps Avenue	Lamb	Littlefield	TX	79339	Texas Applicant
Angle Fire Branch 9 North Angel Fire Rd	Colfax	Angel Fire	NM	87710	New Mexico Applicant
Clayton Branch 201 Main Street	Union	Clayton	NM	88415	New Mexico Applicant
Logan Branch 301 South US Highway 54	Quay	Logan	NM	88426	New Mexico Applicant
Raton Branch 1104 South Second Street	Colfax	Raton	NM	87740	New Mexico Applicant
Santa Rosa Branch 2458 Historic Route 66	Guadalupe	Santa Rosa	NM	88435	New Mexico Applicant
Tucumcari Branch 101 East Route 66	Quay	Tucumcari	NM	88401	New Mexico Applicant
Abilene Treadaway Blvd Branch 3910 S. Treadaway Blvd	Taylor	Abilene	TX	79602	Texas Applicant
Amarillo-Time Square Branch 5701 Time Square Blvd, Suite 120	Randall	Amarillo	TX	79119	Texas Applicant
Dalhart Branch 219 East 7 th Street	Dallam	Dalhart	TX	79022	Texas Applicant
Farwell Branch 801 Avenue A	Parmer	Farwell	TX	79325	Texas Applicant
Levelland Branch 110 College Avenue	Hockley	Levelland	TX	79336	Texas Applicant
Lowe's Branch 102 E Waylon Jennings Blvd	Lamb	Littlefield	TX	79339	Texas Applicant
19th Street Branch 6506 19 th Street	Lubbock	Lubbock	TX	79407	Texas Applicant
Lubbock North Slide Branch 3004 Slide Road	Lubbock	Lubbock	TX	79407	Texas Applicant
Lubbock Lpo/Dpo 6102 Chicago Ave (Previously closed)	Lubbock	Lubbock	TX	79424	n/a
Lubbock South Slide Branch 6502 Slide Road, Suite 110	Lubbock	Lubbock	TX	79424	Texas Applicant
Miami Branch 100 South Main	Roberts	Miami	TX	79059	Texas Applicant
Midland Branch 1111 W Wall St	Midland	Midland	TX	79701	Texas Applicant
Muleshoe Branch 101 W American Blvd	Bailey	Muleshoe	TX	79347	Texas Applicant
Odessa Branch 7281 Tres Hermanas Blvd	Ector	Odessa	TX	79765	Texas Applicant
Pampa Branch 1224 North Hobart St	Gray	Pampa	TX	79065	Texas Applicant
Plains Branch 1505 US Highway 82	Yoakum	Plains	TX	79355	Texas Applicant

Shamrock Branch 305 North Main Street	Wheeler	Shamrock	TX	79079	Texas Applicant
Snyder Branch 4704 College Avenue	Scurry	Snyder	TX	79549	Texas Applicant
Tyler Lpo 3535 S Broadway Ave., Suite B (Previously closed)	Smith	Tyler	TX	75701	n/a
Aimbank Wolfforth Branch 702 Donald Preston Drive	Lubbock	Wolfforth	TX	79382	Texas Applicant

- (b) None.
- (c) No branches will be closed upon consummation of the Bank Merger. Based on preliminary discussions, the Texas Applicant is evaluating the potential closure of two to three branches based primarily on proximity between branches of Texas Applicant and Target, and the resulting impact on customers. See Exhibit L of the confidential section of this application.

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

- (a) **The name of company.**
- (b) **A description of the insurance activity that the company is engaged in and has plans to conduct.**
- (c) **A list of each state and the lines of business in that state in which the company holds, or will hold, an insurance license. Indicate the state where the company holds a resident license or charter, as applicable.**

Not applicable.

If a nonaffiliate transaction, the Applicant also must reply to items 12 through 14.

12. Discuss the effects of the proposed transaction on existing competition in the relevant geographic market(s) where Applicant and Target Institution operate. Applicant should contact the appropriate regulatory agency for specific instructions to complete the competitive analysis.

Texas Applicant

The relevant geographic markets where both the Texas Applicant and Target have banking operations are the Lubbock Banking Market and the Lubbock MSA. The Texas Applicant and Target also have banking operations in Scurry County, Texas serving deposit customers in Scurry County and the surrounding counties of Borden, Fisher, Garza, Howard, Kent, Mitchell, and Nolan. None of Scurry County or its surrounding counties are included in the Lubbock MSA; however, Garza County is included in the Lubbock Banking Market.

The combination of Texas Applicant and Target would result in increases in the Herfindahl-Hirschman Index (the "HHI") in the Lubbock Banking Market and the Lubbock MSA as follows:

Market	Post-Merger HHI	HHI Change
Lubbock Banking Market	1044	39
Lubbock MSA	1059	39

See Exhibit J-3 of this application for the complete HHI calculation for each market.

Snyder and Scurry County, TX are not located in a formally defined banking market or MSA. As further discussed below and in Exhibit J-7, if a defined banking market were established that included Snyder and Scurry County, a more typical result would be a market that recognized the competition from financial institutions in surrounding counties. The combination of Texas Applicant and Target would result in increases in the HHI in the Scurry County and in Scurry County when combined with various combinations of surrounding counties is as follows:

Market	Post-Merger HHI	HHI Change
Scurry County	2764	660
Scurry, Mitchell & Nolan Counties	1424	213
Scurry, Howard & Mitchell Counties	1218	91
Scurry, Howard, Mitchell & Nolan Counties	862	60

See Exhibit J-7 of this application for additional market share and HHI analysis for Scurry County.

As of June 30, 2019, Texas Applicant held 0.10% of statewide deposits in Texas. See Exhibit J-1 of this application. Texas Applicant's market areas include the Lubbock Banking Market and MSA in Texas, where Texas Applicant operates eight full service deposit-taking banking offices and one mobile banking office. Texas Applicant also operates an additional full service deposit-taking office outside of the Lubbock MSA, in Snyder, Texas, serving Scurry County and other surrounding counties and communities.

As of June 30, 2019, Target held 0.14% of statewide deposits in Texas. See Exhibit J-1 of this application. Target's market areas include the Lubbock Banking Market and MSA in Texas, where Target operates four full service deposit-taking banking offices. Target also operates an additional full service deposit-taking office outside of the Lubbock MSA, in Snyder, Texas, serving Scurry and surrounding counties. Target also operates 14 full service deposit-taking banking offices in West Texas banking markets and MSAs where Texas Applicant does not have any offices (including the Abilene, Amarillo, and Midland-Odessa MSAs).

Texas Applicant and Heartland believe the Lubbock market areas served by Target represents a community that includes a business emphasis that is not dissimilar to the markets served by most Heartland subsidiary banks. Almost half of the in-market deposits in the relevant market area are held by three banks, including particularly Plains Capital, City Bank and Wells Fargo, which collectively hold approximately 45% of the deposits in the relevant markets. Heartland believes the acquisition of Target will enhance Target's ability to compete with these larger banks.

The Lubbock Banking Market is comprised of Lubbock, Crosby, and Lynn Counties in Texas (the current Lubbock MSA); Garza County, TX; and the southern portion of Hale County, TX (the Petersburg and Abernathy CCDs). The Lubbock MSA is comprised of Lubbock, Crosby, and Lynn Counties in Texas.

In the Lubbock Banking Market as of June 30, 2019, Texas Applicant ranks 6th of 28 banking institutions with \$656.4 million or 7.22% of in-market deposits and Target ranks 10th with \$242.1 million or 2.66% of in-market deposits. In the Lubbock MSA, as of June 30, 2018, Texas Applicant ranks 6th of 27 banking institutions with \$656.4 million or 7.31% of in-market deposits and Target ranks 10th with \$242.1 million or 2.7% of in-market deposits. See Exhibit J-2 of this application.

Texas Applicant and Target both operate banking offices in Snyder, Texas, the county seat of Scurry County, TX. Texas Applicant and Heartland believe Scurry County by itself does not provide an accurate representation of its service area and competitive market. Texas Applicant operates a banking office in nearby Colorado City, TX the county seat of Mitchell County (approximately 22 miles from the Snyder offices of Applicant and Target), also serving Mitchell and Scurry and other surrounding counties, and outside of the Lubbock Banking Market and MSA. As of June 30, 2019, Texas Applicant's Snyder and Colorado City offices have deposits totaling \$188.4 million. In addition, Applicant's Snyder office has deposits of \$56.1 million. Although the offices service customers concentrated in Scurry and Mitchell counties, the offices also service customers from Borden, Nolan, Howard, other contiguous counties, and nearby larger cities. (See Exhibit I in the confidential section of this application for additional customer geographic data relating to Texas Applicant and Target.) Snyder is uniquely situated in the middle of three of the larger MSAs in West Texas (Lubbock MSA, Midland-Odessa MSA, and Abilene MSA). It is approximately halfway between Lubbock, TX (approximately 85 miles to the northwest, and an 80-minute drive) and Abilene, TX (approximately 80 miles to the southeast, and a 75-minute drive) on US HWY 84. Snyder is also approximately 88 miles from Midland, TX to the southwest and an 85-minute drive. Similarly, Colorado City is approximately 25 minutes to the south of Snyder and is approximately halfway between Abilene, TX (approximately 69 miles east and a 65-minute drive) and Midland, TX (approximately 79 miles and a 70-minute drive) on Interstate 20. Both Snyder and Colorado City are located a short distance from Big Spring, TX the county seat of Howard County (36-minute drive from Colorado City and 50-minute drive from Snyder, on the route to Midland from each respective city), and Sweetwater, TX the county seat of Nolan County (30-minute drive from Colorado City and 40-minute drive from Snyder, on the route to Abilene from each respective city). Texas Applicant and Target understands the commuting pattern of its own Scurry County employees and existing customers, which indicates that many of the county residents commute into the larger MSAs for work, trade, shopping, and entertainment and these drive-times are relatively short and on major highways and interstates. In the surrounding, more rural communities with less services, the residents will travel between multiple counties in order to visit the larger MSAs and do not have to maintain their banking relationship within their own county. See Exhibit J-7 of this application for additional market analysis for Scurry County and relevant contiguous counties (including maps, market share, and HHI analysis).

Each of Texas Applicant and Target experience competition at the Snyder Offices from financial institutions with offices located in Howard, Mitchell, Nolan, Garza and Scurry counties in particular, as well as from financial institutions with offices located in the Lubbock Banking Market and MSA, the Abilene MSA and the Midland-Odessa MSA. This competition is and continues to be compounded by the increasing using of remote banking technologies by financial institutions both inside and outside of Scurry and surrounding counties. In addition to the in-market financial institutions listed in Exhibit J-1 and J2 of this application, Texas Applicant and Target experience lending and banking competition from Farm Credit System lenders, regional and national mortgage companies, credit unions, and banking institutions without branches in Scurry County. Farm Capital

Credit, ACA has a Credit Office in Snyder, TX, which finances agricultural producers, agribusiness firms and country homeowners, and serves Borden, Fisher, Howard, Martin, Midland, Mitchell, Nolan, and Scurry counties; and Lone Star Ag Credit’s Sweetwater Credit Office, which is part of the nationwide Farm Credit System that serves Scurry, Nolan, Mitchell, Kent, Fisher, and Borden counties. Scurry County School Federal Credit Union is also located in Snyder, which offers deposit and loan services within the community. The See Exhibit J-8 of this application for recent Scurry County HMDA and Scurry County CRA data, which illustrates the number of institutions making small business loans (i.e., 25 mostly large national and regional banks), small farm loans (i.e., 10 different large regional and national lenders), and HMDA reportable home loans (i.e., 99 different banks, mortgage companies, and credit unions) in Scurry county. The data indicate that large regional and national banks, and credit unions also compete for deposits and other banking services in Scurry County and surrounding counties beyond what might otherwise be indicated by deposit market share data.

Based on its own deposit and loan data and the existing marketing plans and strategies of Texas Applicant and Target, Texas Applicant has concluded that the relevant market for the Snyder, Texas office is significantly larger than Scurry County, by itself. See the above table and Exhibit J-7 in this application, which present and evaluate the market share and HHI analysis for Scurry County individually and Scurry County taken together with various multiple county areas. As an example, in the four county area of Howard, Mitchell, Nolan, and Scurry counties as of June 30, 2019, Texas Applicant ranks 3rd of 15 banking institutions with \$188.4 million or 10.0% of in-market deposits and Target ranks 14th with \$56.1 million or 2.98% of in-market deposits.

New Mexico Applicant

The relevant geographic markets where both the New Mexico Applicant and Target have banking operations are the Albuquerque Banking Market. The combination of New Mexico Applicant and Target would result in increases in the Herfindahl-Hirschman Index (the “HHI”) in the market as follows:

Market	Post-Merger HHI	HHI Change
Albuquerque Banking Market	1859	2

See Exhibit J-6 of this application for the complete HHI calculation for each market,

As of June 30, 2019, New Mexico Applicant held 4.8% of statewide deposits in New Mexico. See Exhibit J-4 of this application. New Mexico Applicant’s market areas include the Albuquerque Banking Market and MSA in New Mexico, where New Mexico Applicant operates seventeen full service deposit-taking banking offices.

As of June 30, 2019, Target held 0.67% of statewide deposits in New Mexico. See Exhibit J-4 of this application. Target’s market areas include the Albuquerque Banking Market and MSA in New Mexico, where Target operates six full service deposit-taking banking offices.

New Mexico Applicant and Heartland believe the market areas served by Target represents a community that includes a business emphasis that is not dissimilar to the markets served by most Heartland subsidiary banks. A majority of the in-market deposits in the relevant market area are held by prominent regional and large national banks, including particularly Wells Fargo, Bank of America and Bank of the West, which collectively hold approximately 64% of the deposits in the relevant markets. Heartland believes the acquisition of Target will enhance Target’s ability to compete with these larger banks.

The Albuquerque Banking Market is comprised of Bernalillo, Guadalupe, Sandoval, Torrance, and Valencia Counties in New Mexico.

In the Albuquerque Banking Market as of June 30, 2019, New Mexico Applicant ranks 6th of 23 banking institutions with \$793.993 million or 5.30% of in-market deposits and Target ranks 16th with \$29.892 million or 0.20% of in-market deposits. See Exhibit J-5 of this application.

New Mexico Applicant believes there are no custom markets relevant to the proposed Branch Sale.

Competition

Applicants and Target compete with large national banks and large Texas regional banks with significantly greater market power than Texas Applicant and Target combined, including a broader range of bank products and services, and more office locations in their respective markets. In the Lubbock Banking Market and the Lubbock MSA shared by Texas Applicant and Target, the three largest institutions control approximately 45% of in-market deposits and operate a total of 31 branch offices. In Scurry County and its three contiguous counties to the south, the four largest institutions (large national or TX regional banks) control approximately 25% of in-market deposits and operate a total of 5 branch offices. In the Albuquerque Banking Market shared by New Mexico Applicant and Target, the three largest institutions control approximately 64% of in-market deposits and operate a total of 63 branch offices. The proposed transaction enhances the Applicants' ability to compete with these institutions and provide a competitive alternative for in-market customers.

Effect on Competition

The combination of Texas Applicant and Target would result in the combined institution ranking 3rd of 27 banking institutions, with 9.89% of in-market deposits in the Lubbock Banking Market, and causing the HHI to rise 39 points. In the Lubbock MSA, the combined institution would be 10th of 26 banking institutions, with 10.01% of in-market deposits, and cause the HHI to rise 39 points. Thus, combination of Texas Applicant and Target does not change the market share of the combined institution to any significant extent in either of these markets and the resulting institution's market share will not materially exceed 10%. While a narrow view of the market share of the Snyder, Texas offices of the Texas Applicant and Target suggests a higher market concentration when evaluated using only deposits held by Snyder County financial institutions, when viewed in the context of the broader relevant market of Howard, Mitchell, Nolan, and Scurry Counties, the proposed transaction results in an increase in the HHI of 60 points. When competition from other financial institutions that serve customers in Scurry and other relevant counties is taken into account, the potential impact on customers and competition is further reduced.

The combination of New Mexico Applicant and Target would result in the combined institution ranking 6th of 23 banking institutions, with 5.5% of in-market deposits in the Albuquerque Banking Market, and causing the HHI to rise 2 points. Thus, combination of New Mexico Applicant and Target does not change the market share of the combined institution to any significant extent in this market and the resulting institution's market share will be less than 10%.

For the foregoing reasons, the proposed transaction will have no material adverse effect on existing competition in the relevant geographic markets, and the benefits of the transaction will outweigh any immaterial adverse effect.

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

Not Applicable.

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

Not Applicable.

FEDERAL DEPOSIT INSURANCE CORPORATION

SUPPLEMENT TO INTERAGENCY BANK MERGER ACT APPLICATION

All FDIC Applicants should provide the following supplemental information with their application:

15. **This section supplements question 12 of the Interagency Bank Merger Act Application for transactions between nonaffiliated parties. Additional guidance relating to the FDIC's consideration of the competitive factors in a proposed merger transaction is contained in the FDIC's Rules and Regulations (12 C.F.R. § 303 Subpart D) and Statement of Policy on Bank Merger Transactions (2 FDIC Law, Regulations, and Related Acts 5145), which may be found at <http://www.fdic.gov/regulations/laws/rules/index.html>.**

I. Delineation of the relevant geographic market(s).

The relevant geographic market includes the areas in which the offices to be acquired are located and from which those offices derive the predominant portion of their loans, deposits, or other business. The relevant geographic market also includes the areas where existing and potential customers impacted by the proposed merger may practically turn for alternative sources of banking services.

- (a) **Prepare schedules for the Applicant Institution and Target Institution showing the total number of accounts and total dollar volume of deposits for each municipality or census tract, where applicable, according to the recorded address of the depositor (do not submit supporting data). Small amounts may be aggregated and identified as "other." *If the Applicant Institution is a multi-office institution, Applicant Institution deposit information should be provided only for those offices within or proximate to the area(s) described below under paragraph (b).***

The total deposits for each municipality within the relevant markets is as indicated in the Texas Applicant and Target Bank Offices table below.

- (b) **Identify those areas where existing and potential customers of the offices to be acquired may practically turn for alternative sources of banking services. If consideration of the availability of such alternative banking services results in a market area considerably different from that indicated by the sources of the deposits, discuss and provide necessary supporting information.**

In Lubbock MSA, there are at least 25 other banks with a total of 102 banking offices to which existing and potential customers of Target may practically turn for alternative sources of banking services. In the Lubbock Banking Market, there are at least 26 other banks with a total of 111 banking offices to which existing and potential customers of Target may practically turn for alternative sources of banking services. In the Albuquerque Banking Market, there are at least 22 other banks with a total of 144 banking offices to which existing and potential customers of Target may practically turn for alternative sources of banking services. In addition, there are numerous non-bank financial service providers in each of these markets, including credit unions as well as agencies of large insurance companies affiliated with banks. Neither Target nor Applicants holds more than 10% of the deposits in these markets.

In the Scurry County, there are at least three other banks with a total of three banking offices, that control approximately 62% of the in-market branch deposits to which existing and

potential customers of Target may practically turn for alternative sources of banking services. In addition, there are a significant number of other financial institutions already providing banking and lending services within the county, not even including online alternatives. (See Exhibit J-8 included within this application.) Additionally, including the contiguous counties, which are within the traffic routes to and from the major West Texas MSAs, there are many more banks and banking offices to which existing and potential customer of Target may practically turn. As an example, in Scurry, Mitchell, Nolan and Howard counties combined there are at least 13 other in-market banks with a total of 17 banking offices.

(c) Using the information collected in paragraphs (a) and (b), provide a narrative description of the delineated relevant geographic market(s).

The Lubbock Banking Market is comprised of Lubbock, Crosby, and Lynn Counties in Texas (the current Lubbock MSA); Garza County, TX; and the southern portion of Hale County, TX (the Petersburg and Abernathy CCDs). The Lubbock MSA is comprised of Lubbock, Crosby, and Lynn Counties in Texas. 77.8% of Texas Applicant's branch offices are located in the Lubbock Banking Market and Lubbock MSA. 16.0% of Target's branch offices are located in both markets.

In the Lubbock Banking Market as of June 30, 2019, Texas Applicant ranks 6th of 28 banking institutions with \$656.4 million or 7.22% of in-market deposits and Target ranks 10th with \$242.1 million or 2.66% of in-market deposits. In the Lubbock MSA, as of June 30, 2019, Texas Applicant ranks 6th of 27 banking institutions with \$656.4 million or 7.31% of in-market deposits and Target ranks 10th with \$242.1 million or 2.70% of in-market deposits. See Exhibit J-2 of this application.

Outside of the Lubbock Banking Market, the remaining 22.2% of Texas Applicant's branch offices are located in Scurry and Mitchell Counties. 4.0% of Target's branch offices are located in these two counties.

In Scurry and Mitchell Counties combined as of June 30, 2019, Texas Applicant ranks 1st of 7 banking institutions with \$188.4 million or 29.64% of in-market deposits and Target ranks 6th with \$56.1 million or 8.83% of in-market deposits. See Exhibit J-7 of this application, which illustrates the market share and competitive analysis for Scurry and contiguous counties.

The Albuquerque Banking Market is comprised of Bernalillo, Guadalupe, Sandoval, Tarrant, and Valencia Counties in New Mexico. 52.9% of New Mexico Applicant's branch offices are located in the New Mexico Banking Market. 4% of Target's deposit-taking offices are located in the markets.

In the Albuquerque Banking Market as of June 30, 2019, New Mexico Applicant ranks 6th of 24 banking institutions with \$794.0 million or 5.30% of in-market deposits and Target ranks 16th with \$29.9 million or 0.20% of in-market deposits. See Exhibit J-2 of this application.

(d) Provide any additional information necessary to support the delineated relevant geographic market(s). Supporting information may include relevant demographic information, locations of major employers, retail trade statistics, and/or information on traffic patterns. Applicants should consult with the applicable FDIC Regional Office in determining whether additional information is necessary.

See Exhibit J-7 of this application.

II. Competition in the relevant geographic market(s).

- (a) Prepare a schedule of participating and competing banking institutions' offices, divided into three sections:
 - (i) Applicant Institution offices within or proximate to the relevant geographic market(s);
 - (ii) Target Institution offices within or proximate to the relevant geographic market(s); and
 - (iii) Competitor banking offices located or competing within the delineated relevant geographic market(s).
- (b) For each office listed in paragraph (a), provide the street address; total deposits as reported in the most recent *FDIC Summary of Deposits Data Book* (<http://www2.fdic.gov/sod/index.asp>); and distance and general direction from the nearest office of Applicant and Target Institution. *In cases where the delineated relevant geographic market includes a significant portion of a larger metropolitan area, provide only a listing of financial institutions and the aggregate total deposits of all offices operated by each within the delineated relevant geographic market(s).*
- (c) Discuss the extent and intensity of competition in the delineated relevant geographic market(s) provided by nonbank institutions, such as other depository institutions (for example, credit unions) and non-depository institutions (for example, finance companies, or government agencies). For those institutions regarded as competing in the delineated relevant geographic market(s), provide name, address, and services supplied.

Given that neither Target nor Texas Applicant and neither Target nor New Mexico Applicant hold more than 10% of the deposits in their relevant markets, consideration of the role played by non-bank institutions does not have a significant impact on the overall competitive position of Target, Texas Applicant or New Mexico Applicant.

See Exhibit J-7 and J-8 for additional geographic and competitive analysis for the Scurry County. The most recent reportable CRA data indicates there are at least 28 larger banks and financial institutions that make loans within Scurry County. The most recent available HMDA data indicate almost one hundred institutions that reported home loans in Scurry County. There are two Farm Credit System lenders with offices in Snyder, TX and nearby Sweetwater, TX that provide loans, financing and banking services to customers in Scurry, Mitchell and surrounding counties. There is one credit union operating in Snyder, TX, one operating in Sweetwater, TX and three operating in Big Spring, TX.

Applicant and Target Bank Offices

As indicated in the chart below, five of the Texas Applicant’s branch offices are within the deposit markets served by Target’s branch offices in Texas. In New Mexico, only one of Target’s branch offices are within the deposit markets served by the New Mexico Applicant’s branch offices.

The total deposits of each office as of June 30, 2019 and the distance from each office to the nearest office of the other institution are also indicated below.

(Note: In a few cases, the nearest office to the New Mexico Applicant’s offices are the Target’s offices in Texas, so both the Target’s nearest office and the nearest office in the same state are indicated.

Similarly, in a few cases, the nearest office to the Target’s offices located Texas are the New Mexico Applicant’s offices in New Mexico.)

Name and Location of Main Office and Branch Offices	Total Deposits (000 omitted) at 6/30/19	Its Distance and Direction from Nearest Office of	
		Applicant Institution	Target Institution
(i) Texas Applicant Offices			
First Bank & Trust (Main Office) 9816 Slide Road Lubbock, TX 79424	\$387,025		Lubbock South Slide Branch is 2.2 miles North
Indiana Avenue Branch 7806 Indiana Avenue Lubbock, TX 79423	\$125,868		Lubbock South Slide Branch is 2.2 miles NW
Midcity Branch 3405 22nd Street Lubbock, TX 79410	\$45,314		Lubbock North Slide Branch is 2.8 miles West
West Branch 6501 19th Street Lubbock, TX 79407	\$25,017		19th Street Branch is 0.1 miles North
Tahoka Branch 1910 Lockwood St Tahoka, TX 79373	\$29,217		Lubbock South Slide Branch is 31.1 miles North
Wilson Branch (since Closed) 2000 Green Avenue Wilson, TX 79381	\$43,973		N/A (Closed)
Colorado City Branch 2225 Hickory St Colorado City, TX 79512	\$84,080		Snyder Branch is 21.7 miles North
Snyder Branch 4500 College Ave Snyder, TX 79549	\$104,299		Snyder Branch is 0.3 miles North
(ii) Target Offices in Texas			
AimBank Main Office 337 Phelps Avenue Littlefield, TX 79339	\$59,976	West Branch is 34.3 miles SE	

Abilene Treadaway Blvd Branch 3910 S Treadaway Blvd Abilene, TX 79602	\$62,681	Colorado City Branch is 71.4 miles West	
Amarillo-Time Square Branch 5701 Time Square Blvd, Suite 120 Amarillo, TX 79119	\$21,545	Midcity Branch is 121 miles Southwest	
Dalhart Branch 219 East 7 th Street Dalhart, TX 79022	\$1,295	Midcity Branch is 202 miles Southeast	
Farwell Branch 801 Avenue A Farwell, TX 79325	\$26,537	709 Pile St. Branch in Clovis, NM is 10.2 miles West and Midcity Branch is 89.8 miles Southeast	
Levelland Branch 110 College Ave Levelland, TX 79336	\$245,781	West Branch is 23.9 miles East	
Lowe's Branch 102 E Waylon Jennings Blvd Littlefield, TX 79339	\$1,234	West Branch is 34.8 miles Southeast	
19th Street Branch 6506 19 th Street Lubbock, TX 79407	\$9,650	West Branch is 0.1 miles South	
Lubbock North Slide Branch 3004 Slide Road Lubbock, TX 79407	\$21,071	Midcity Branch is 2.6 miles East	
Lubbock South Slide Branch 6502 Slide Road, Suite 110 Lubbock, TX 79424	\$190,348	First Bank & Trust (Main Office) is 2.2 miles South	
Miami Branch 100 S Main St Miami, TX 79059	\$38,521	Midcity Branch is 197 miles South	
Midland Branch 1111 W Wall St Midland, TX 79701	\$72,465	Colorado City Branch is 80.2 miles Northeast	
Muleshoe Branch 101 W American Blvd Muleshoe, TX 79347	\$109,619	709 Pile St. Branch in Clovis, NM is 31.4 miles Southeast and Midcity Branch is 68.7 miles Southeast	
Odessa Branch 7281 Tres Hermanas Blvd Odessa, TX 79765	\$119,361	Colorado City Branch is 97.8 miles Northeast	
Pampa Branch 1224 North Hobart St Pampa, TX 79065	\$117,622	Midcity Branch is 176 miles Southwest	

Plains Branch 1505 US Highway 82 Plains, TX 79355	\$15,673	First Bank & Trust (Main Office) is 66 miles Northeast	
Shamrock Branch 305 North Main Street Shamrock, TX 79079	\$59,547	Midcity Branch is 193 miles Southwest	
Snyder Branch 4704 College Avenue Snyder, TX 79549	\$56,112	Snyder Branch is 0.3 miles South	
Wolfforth Branch 702 Donald Preston Drive Wolfforth, TX 79382	\$21,062	West Branch is 5.8 miles Northeast	
(iii) New Mexico Applicant Offices			
New Mexico Bank & Trust (Main Office) 320 Gold Ave SW Albuquerque, NM 87102	\$291,742		Santa Rosa Branch is 120 miles East
4 th and Candalaria Office 3701 4th St NW Albuquerque, NM 87107	\$34,298		Santa Rosa Branch is 119 miles East
6201 Riverside Plaza Lane Branch 6201 Riverside Plaza Ln NW Albuquerque, NM 87120	\$37,736		Santa Rosa Branch is 125 miles East
7021 Jefferson Street Northeast Branch 7021 Jefferson St NE Albuquerque, NM 87109	\$98,281		Santa Rosa Branch is 122 miles East
9500 Montgomery Boulevard NE Branch 9500 Montgomery Blvd NE Albuquerque, NM 87111	\$56,394		Santa Rosa Branch is 114 miles East
Northeast Branch 3002 Louisiana Blvd NE Albuquerque, NM 87110	\$63,458		Santa Rosa Branch is 115 miles East
709 Pile Street Branch 709 Pile St Clovis, NM 88101	\$122,225		Farwell, TX Branch is 10.2 miles East and Clayton Branch is 168 miles North
Ross Street Branch 2009 Ross St Clovis, NM 88101	\$0		Farwell, TX Branch is 10.8 miles East and Clayton Branch is 167 miles North
Espanola Branch 411 Carr Ln Española, NM 87532	\$33,738		Angel Fire Branch is 65.5 miles Northeast

Los Alamos Branch 1475 Central Ave Los Alamos, NM 87544	\$72,727		Angel Fire Branch is 85.8 miles Northeast
Los Lunas Branch 1810 Main St SW Los Lunas, NM 87031	\$58,020		Santa Rosa Branch is 140 miles East
Portales Branch 1612 E Spruce St Portales, NM 88130	\$18,579		Farwell, TX Branch is 25.3 miles Northeast And Tucumcari is 90.9 mils North
4001 Southern Boulevard Southeast Branch 4001 Southern Blvd SE Rio Rancho, NM 87124	\$123,601		Santa Rosa Branch is 131 miles East
7830 Enchanted Hills Boulevard NE Branch 7830 Enchanted Hills Blvd NE Rio Rancho, NM 87144	\$30,463		Santa Rosa Branch is 136 miles East
1549 Paseo De Peralta Branch 1549 Paseo De Peralta Santa Fe, NM 87501	\$108,990		Angel Fire Branch is 92.2 miles Northeast
1592 Saint Michaels Drive Branch 1592 Saint Michaels Dr Santa Fe, NM 87505	\$160,324		Angel Fire Branch is 94.0 miles Northeast
Tierra Amarilla Branch 17345 Hwy 84/64 Tierra Amarilla, NM 87575	\$35,728		Angel Fire Branch is 105 miles East
(iv) Target Offices in New Mexico			
Angle Fire Branch 1 First National Pl Angel Fire, NM 87710	\$20,512	Espanola Branch is 65.5 miles Southwest	
Clayton Branch 201 Main Street Clayton, NM 88415	\$59,976	709 Pile Street Branch is 168 miles South	
Logan Branch 301 South US Highway 54 Logan, NM 88426	\$21,609	Ross Street Branch is 79.3 miles South	
Raton Branch 1104 South Second Street Raton, NM 87740	\$48,454	Espanola Branch is 135 miles Southwest	
Santa Rosa Branch 2458 Historic Route 66 Sanrta Rosa, NM 88435	\$29,892	Montgomery Boulevard NE Branch is 114 miles West	
Tucumcari Branch 101 E Route 66 Tucumcari, NM 88401	\$37,000	Ross Street Branch is 83.2 miles South	

(iii) Competitor Banking Offices. Tables setting forth the bank participants and market share of the bank participants in the Lubbock MSA and Lubbock Banking Market, and the Albuquerque Banking Market can be found in Exhibit J-2 to this Application. Additionally, tables setting forth the bank participants and market share of the bank participants in Scurry County and its surrounding counties can be found in Exhibit J-7.