

PUBLIC DISCLOSURE

November 18, 2013

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

**The Bank of Kentucky, Inc.
Cert # 33022**

**111 Lookout Farm Drive
Crestview Hills, Kentucky 41017**

**Federal Deposit Insurance Corporation
Chicago Regional Office
Division of Depositor and Consumer Protection
300 South Riverside Plaza, Suite 1700
Chicago, Illinois 60606**

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, 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.

INSTITUTION'S CRA RATING

OVERALL RATING

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

PERFORMANCE TEST RATINGS TABLE

The following table indicates the performance level of The Bank of Kentucky, Inc. with respect to the lending, investment, and service tests.

PERFORMANCE LEVELS	THE BANK OF KENTUCKY, INC.		
	PERFORMANCE TESTS		
	Lending Test*	Investment Test	Service Test
Outstanding			
High Satisfactory	X		
Low Satisfactory		X	X
Needs to Improve			
Substantial Noncompliance			

*Note: The lending test is weighted more heavily than the investment and service tests when arriving at an overall rating.

consistent safe and sound banking practices. In years 2011 and 2012, BOK originated approximately 50 percent of its small business loans in amounts of \$100,000 or less and designed special products to meet the credit needs of LMI individuals.

INVESTMENT TEST

Investment and Grant Activity

BOK has an adequate level of qualified community development investments and grants, although rarely in a leadership position, particularly those that are not routinely provided by private investors. BOK has made or maintained an adequate level of qualified investments totaling approximately \$10.7 million. The current period investments include two school bonds totaling \$3,470,000 and an Initial Tax credit payment of \$1,377,415 from Transitions Recovery Kentucky. Unfunded commitments for the current period total \$1,843,000; and the remaining 76 investments were qualified donations totaling approximately \$1,596,000 that directly benefited this AA. BOK maintained prior period qualified investments totaling \$2.4 million including \$1.5 million in the Senior Housing Crime Prevention Program at a local senior citizens housing and care facility. BOK investment provides \$18,750 per year to this program and it has a term of seven years maturing on March 15, 2016. The total of both funded and unfunded qualified investments is about \$10.7 million, which represents 2.8 percent of the bank's total investments. The level of investments has increased from the previous evaluation of approximately \$5.5 million. Additionally, the level of investments in relation to total investments has increased as qualified investments total 2.8 percent compared to 1.7 percent at the previous evaluation. A breakdown of each type of qualified investment is discussed below. These investments demonstrate an adequate level of qualified community development investments and exhibit adequate responsiveness to this area's credit and economic development needs. Refer to Table 14 of Appendix D of this evaluation for additional information.

- Transitions Recovery Kentucky-BOK purchased and fully funded a \$1,377,415 low-income initial tax credit.
- On May 23, 2013, BOK purchased a school revenue bond for \$470,000 issued by a local municipality. The proceeds of these bonds are being used to renovate and improve Dayton (Campbell County), Kentucky that is located in a low-income geography of the AA.
- On March 14, 2013, BOK purchased a school revenue bond for \$3,000,000 issued by a local municipality. The proceeds of these bonds are being used to renovate and improve Grant County High School, which is located in a moderate-income geography of the AA.
- During this review period, the bank made 76 separate donations to qualified entities in this AA totaling \$1,596,143 for qualifying purposes.