



**LARGE BANK**

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Comptroller of the Currency  
Administrator of National Banks  
Washington, DC 20219

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## **Public Disclosure**

June 28, 2004

# **Community Reinvestment Act Performance Evaluation**

**Century Bank, National Association  
Charter Number: 5636**

**201 Rice Street  
New Boston, TX 75570**

**Office of the Comptroller of the Currency**

**Longview Field Office  
1800 West Loop 281 Suite 306  
Longview, TX 75604**

**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.**

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## Overall CRA Rating

**Institution’s CRA Rating:** This institution is rated **Satisfactory**.

The following table indicates the performance level of **Century Bank, National Association** (Century Bank) with respect to the Lending, Investment, and Service Tests:

Performance Levels	Century Bank, National Association Performance Tests		
	Lending Test*	Investment Test	Service Test
Outstanding			
High Satisfactory	X		X
Low Satisfactory		X	
Needs to Improve			
Substantial Noncompliance			

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

The major factors that support this rating include:

- Century Bank’s lending volume is good given the size and competition in its primary market. A substantial majority of the bank’s loans were within its designated assessment area. The distribution of these loans by geography is adequate based upon the demographics of the area while the distribution of these loans by borrower income level reflects an adequate penetration to all income levels. In addition, the bank has made a good level of community development loans, which had a positive affect on the bank’s lending performance.
- The level of qualified community development investments, grants and donations represents adequate responsiveness to identified community development needs. The bank made qualified investments during the evaluation period totaling \$529 thousand representing 1.4% of Tier 1 Capital.
- Century Bank’s delivery systems are accessible to all geographies and individuals of different income levels in its assessment area. The bank has opened two branches in moderate-income areas during this evaluation period. Each branch provides the same products and services. Additionally, business hours have been tailored to accommodate customers’ needs, including Saturday and Sunday banking.

## Definitions and Common Abbreviations

The following terms and abbreviations are used throughout this performance evaluation, including the CRA tables. The definitions are intended to provide the reader with a general understanding of the terms, not a strict legal definition.

**Affiliate:** Any company that controls, is controlled by, or is under common control with another company. A company is under common control with another company if the same company directly or indirectly controls both companies. A bank subsidiary is controlled by the bank and is, therefore, an affiliate.

**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 MA/assessment area.

**Block Numbering Area (BNA):** A statistical subdivision of a county for grouping and numbering blocks in non-metropolitan counties where local census statistical area committees have not established census tracts. A BNA does not cross county lines.

**Census Tract (CT):** A small subdivision of metropolitan and other densely populated counties. Census tract boundaries do not cross county lines; however, they may cross the boundaries of metropolitan areas. Census tracts usually have between 2,500 and 8,000 persons, and their physical size varies widely depending upon population density. Census tracts are designed to be homogeneous with respect to population characteristics, economic status, and living conditions to allow for statistical comparisons.

**Community Development:** Affordable housing (including multifamily rental housing) for low- or moderate-income individuals; community services targeted to low- or moderate-income individuals; activities that promote economic development by financing businesses or farms that meet the size eligibility standards of the Small Business Administration's Development Company or Small Business Investment Company programs (13 CFR 121.301) or have gross annual revenues of \$1 million or less; or, activities that revitalize or stabilize low- or moderate-income geographies.

**Community Reinvestment Act (CRA):** the statute that requires the OCC to evaluate a bank's record of meeting the credit needs of its local community, consistent with the safe and sound operation of the bank, and to take this record into account when evaluating certain corporate applications filed by the bank.

**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.

**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, which is further classified into 'male householder' (a family with a male household and no wife present) or 'female householder' (a family with a female householder and no husband present).

**Full Review:** Performance under the Lending, Investment, and Service Tests is analyzed considering performance context, quantitative factors (e.g., geographic distribution, borrower distribution, and total number and dollar amount of investments), and qualitative factors (e.g., innovativeness, complexity, and responsiveness).

**Geography:** A census tract or a block numbering area 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 area to file annual summary reports of their mortgage lending activity. The reports include such data as the race, gender, and the income of applications, the amount of loan requested, and the disposition of the application (e.g., approved, denied, and withdrawn).

**Home Mortgage Loans:** such loans include home purchase and home improvement loans, as defined in the HMDA regulation. This definition also includes loans for multifamily (five or more families) dwellings, loans for the purchase of manufactured homes and refinancing of home improvement and home purchase loans.

**Household:** Includes all persons occupying a housing unit. Persons not living in households are classified as living in group quarters. In 100 percent tabulations, the count of households always equals the count of occupied housing units.

**Limited Review:** Performance under the Lending, Investment, and Service Tests is analyzed using only quantitative factors (e.g., geographic distribution, borrower distribution, 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.

**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 MA/assessment area.

**Median Family Income (MFI):** The median income determined by the U.S. Census Bureau every ten years and used to determine the income level category of geographies. Also, the median income determined by the Department of Housing and Urban Development annually that is used to determine the income level category of

individuals. For any given area, the median is the point at which half of the families have income above it and half below it.

**Metropolitan Area (MA):** Any primary metropolitan area (PMA), metropolitan area (MA), or consolidated metropolitan area (CMA), as defined by the Office of Management and Budget, with a population of 250,000 or more, and any other area designated as such by the appropriate federal financial supervisory agency.

**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 percent 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 percent and less than 80 percent, in the case of a geography.

**Multifamily:** Refers to a residential structure that contains five or more units.

**Other Products:** Includes any unreported optional category of loans for which the institution collects and maintains data for consideration during a CRA examination. Examples of such activity include consumer loans and other loan data an institution may provide concerning its lending performance.

**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 qualified investment is defined as any lawful investment, deposit, membership share, or grant that has as its primary purpose community development.

**Rated Area:** A rated area is a state or multi-state 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 multi-state metropolitan area, the institution will receive a rating for the multi-state metropolitan area.

**Small Loan(s) to Business(es):** A loan included in 'loans to small businesses' as defined in the Consolidated Report of Condition and Income (Call Report) and the Thrift Financial Reporting (TFR) instructions. These loans have original amounts of \$1 million or less and typically are either secured by nonfarm or nonresidential real estate or are classified as commercial and industrial loans. However, thrift institutions may also exercise the option to report loans secured by nonfarm residential real estate as "small business loans" if the loans are reported on the TFR as nonmortgage, commercial loans.

**Small Loan(s) to Farm(s):** 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, or are classified as loans to finance agricultural production and other loans to farmers.

**Tier One Capital:** The total of common shareholders' equity, perpetual preferred shareholders' equity with non-cumulative dividends, retained earnings and minority interests in the equity accounts of consolidated subsidiaries.

**Upper-Income:** Individual income that is more than 120 percent of the area median income, or a median family income that is more than 120 percent, in the case of a geography.

## Description of Institution

Century Bank, headquartered in New Boston, Texas, is an interstate financial institution with \$536 million in assets. The bank is wholly owned by Century Bancshares, Inc., a one-bank holding company. Century Bank has 14 full service branches and 15 automatic teller machines located in northeast Texas and southwest Arkansas. The bank's offices are located in the Texarkana Metropolitan Area, an interstate MSA which includes Bowie County, Texas, and Miller County, Arkansas. During the past five years, the bank has grown aggressively and has opened multiple branches throughout its current market area. This has resulted in total asset growth of 233% since year-end 1999. In February 2002, the bank merged with its affiliated bank of the same name located in Texarkana, Arkansas which is a part of the Texarkana MSA and continued its expansion with five more branches in this assessment area. Additionally, the bank has recently opened branches in the adjacent, non-metropolitan areas of Cass County, Texas and Little River County, Arkansas. The bank also opened a location in Dallas County, Texas in June 2004 with plans to open other branches in this area in the near future. These offices are located in areas outside the Texarkana MSA and were not open long enough to perform an evaluation for CRA purposes.

Century Bank's philosophy is to be a full service institution by providing a wide array of financial services to consumers and businesses. Century Bank is retail oriented and offers a variety of deposit and loan products. As of March 31, 2004, the bank's net loans represented 60% of total assets. The loan portfolio is comprised of 37% commercial real estate, 28% commercial, 20% residential real estate, 7% consumer, and 8% agriculture.

There are no legal, financial or other factors impeding the bank's ability to help meet the credit needs in its assessment areas. As of March 31, 2004, Century Bank's Tier 1 Capital level was \$37 million representing 7.10% of adjusted average assets. The bank's CRA performance was last evaluated as of July 2, 2001, using Small Bank CRA procedures with the overall level of performance rated "Satisfactory."



## **Scope of the Evaluation**

### **Evaluation Period/Products Evaluated**

Conclusions regarding the bank's lending performance are based on residential mortgage, small business and small farm loans for the years 2002 and 2003. Aggregate data to determine market share during 2003 was not available for review and therefore, a market analysis was not used in the analysis of the bank's lending in 2003. For community development loans and the Service and Investment Tests, the evaluation period runs from the ending date of the last CRA evaluation period to the start date of the current CRA examination. This evaluation period runs from July 2, 2001 to June 28, 2004. The investment test included a review of investments, grants and donations made in the bank's AA that meet the definition of community development investments. The Service Test included a review of retail and community development services provided in the bank's AA.

### **Data Integrity**

We verified the accuracy of data used in the evaluation of the bank's performance by reviewing samples of the loan products reported during the evaluation period. Our review revealed the integrity of the bank's data is sound and considered to be a reliable source of information when reviewing CRA performance. We found no significant exceptions or weaknesses that would affect the bank's performance or ratings. Publicly reported data relating to these loans is considered accurate.

Community development loans, investments, and services submitted by Century Bank's management were also verified to ensure they met the regulatory definition for community development.

### **Selection of Areas for Full-Scope Review**

The bank's primary assessment area includes the multi-state Texarkana MSA which consists of Bowie County, Texas and Miller County, Arkansas. This multi-state metropolitan area received a full-scope review. The bank has also added Little River County, Arkansas and portions of Cass County, Texas as separate assessment areas that are adjacent to the Texarkana MSA. In addition, the bank has recently opened a branch in Dallas, Texas with a separate assessment area in the Dallas/Ft. Worth MSA. These offices are located in areas outside the Texarkana MSA and were not open long enough to perform an evaluation for CRA purposes. Therefore, a full scope review was only performed in the Texarkana MSA which includes the location of the bank's headquarters and ten of its branch offices. All of the bank's reported loans and deposits for this evaluation period are located in this area. Refer to the table in Appendix A: Scope of the Examination for additional information.

## **Ratings**

The bank's overall rating is based on the area that received a full-scope review. No additional state ratings were assigned due to the lack of data available for review during this evaluation period. To determine a rating for the bank's lending performance, we reviewed home mortgages and small loans to businesses which comprise the largest percentage of the bank's loan portfolio. Little weight was given to farm products due to the low volume of this type product.

## **Fair Lending Review**

We found no evidence of illegal discrimination or other illegal credit practices.

## Multistate Metropolitan Area Rating

### Texarkana MSA

**CRA rating for the Texarkana MSA, Texas and Arkansas:**

**The lending test is rated: High Satisfactory**

**The investment test is rated: Low Satisfactory**

**The service test is rated: High Satisfactory**

The Texarkana MSA was the only assessment area reviewed during this evaluation period. As such, the bank's overall rating and multistate metropolitan area rating are the same. See the Overall Rating section for a summary of the bank's performance in this AA.

### Description of Institution's Operations in the Texarkana MSA

Refer to the market profile for the Texarkana MSA in Appendix C for detailed demographics and other performance context information.

### LENDING TEST

The bank's performance under the lending test is rated "High Satisfactory". Based on the full scope review, the bank's performance in the Texarkana MSA is good.

### Lending Activity

Refer to Table 1 Lending Volume in Appendix D for the facts and data used to evaluate the bank's lending activity.

The bank's overall lending activity is good. The bank had made 1,913 loans for a total of \$182 million during 2002 and 2003. These loans are distributed throughout the bank's assessment area. In addition, the distribution of the types of loans is reasonably divided among residential mortgages and small business loans. The loan volume in the Texarkana MSA is good. Century Bank ranks first in the deposit market share at 26%. Based on 2002 loan information, the bank ranks second in home purchase and home improvement with market shares of 11% and 15% respectively while ranking third in home refinance with a 9% market share. In small loans to businesses, the bank ranks seventh with market share of 6%. The lower market shares are primarily due to the larger number of bank and non-bank competitors and the aggressive competition for residential real estate and small business loans. By dollar volume the bank ranks higher at number one for all home products combined and number two for small loans to businesses.

## **Distribution of Loans by Income Level of the Geography**

Century Bank's overall distribution of loans by income level of the geography is adequate.

### ***Home Mortgage Loans***

Refer to Tables 2, 3, 4, and 5 in Appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations and purchases.

The geographic distribution of home purchase, refinance and home improvement loans is adequate. The bank originated a minimal number of multifamily loans; therefore, a geographical analysis of multifamily loans is not meaningful. Based on the 1990 census data, there are three low-income tracts and six moderate-income tracts in this assessment area. However, based on 2000 census information, the number of moderate tracts was reduced to four while the number of low tracts remained the same. The distribution of loans in low and moderate-income tracts is less than the percentage of owner-occupied housing units in these tracts. While the percentage of each loan product, in both low and moderate-income tracts, is lower than the percentage of owner occupied housing, actual lending opportunities were limited. Based on 1990 demographics, only 2.5% or 772 units and 10.8% or 3,455 owner occupied housing units were available in the low and moderate tracts, respectively. Further demographics for 2000 indicate that lending opportunities remained limited at 3.51% or 1,195 and 8.79% or 2,995 units in the low and moderate tracts, respectively. As indicated by these percentages, the opportunities for lending in the low-income tracts remained very limited and in the moderate-income tracts, the opportunities declined. While lending opportunities were limited, Century Bank was second in overall market share for home purchase and home improvement loans and third in market share for home refinances. In the moderate-income tracts where more opportunity for lending exists, the total volume of loans for all home products was low with only 274 loans made and divided among multiple lenders in the moderate-income tracts. Century Bank ranked third in home purchase loans, sixth in home improvement and seventh in refinancing with market shares of 6%, 5% and 3% respectively among all reported lenders.

### ***Small Loans to Businesses***

Refer to Table 6 in Appendix D for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to businesses.

The geographic distribution of small loans to businesses is adequate. The percentage of small business loans made in the low and moderate-income tracts is below the percentage of small businesses in these tracts. Century Bank's market share in the low-income tract is below its overall market share; however, exceeds the bank's overall market share in the moderate tracts.

### ***Small Loans to Farms***

Refer to Table 7 in Appendix D for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to farms.

Century Bank's geographic distribution of small farm loans is adequate. The percentage of small farm loans made in the low and moderate tracts is less than the percentage of small farms in these tracts. However, based on 1990 data, the number of farms located in the low and moderate tracts is 0.43% (one farm) and 2.17% (five farms), respectively, while 2000 data indicates the number of farms in low-income geographies is 1.18% (3 farms) and 5.88% (15 farms) in moderate-income geographies. This results in limited opportunities to make loans in these tracts.

### ***Lending Gap Analysis***

Our review included an evaluation of Century Bank's lending throughout the AA including any low and moderate-income tracts. This was done using maps and reports showing the bank's lending in each tract to identify any gaps in the geographic distribution of home mortgage loans, small loans to businesses and small loans to farms. No unexplained or conspicuous gaps were identified.

### ***Inside/Outside Ratio***

During the evaluation period, 87% of loans reviewed were within the AA. Approximately 80% of home mortgage loans, 81% of small business loans, 86% of farm loans and 100% of community development loans were within its AA. This performance was positively factored into the overall analysis of the geographic distribution of lending.

## **Distribution of Loans by Income Level of the Borrower**

### ***Home Mortgage Loans***

Refer to Tables 8, 9, and 10 in Appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

Century Bank's overall distribution of loans by income level of borrowers is adequate.

Century Bank's distribution of home purchase and home improvement loans is good in the Texarkana MSA. The percentage of loans to low income borrowers is lower than the reported percentage of families in this income level. This is mitigated by information identified in the performance context. Approximately 23% of the families in this AA are low income and approximately 19% of the families in this AA are below poverty level. Additionally, the lack of affordable homes was identified by the community contacts. The bank's lending to moderate-income families for home purchases is below the demographics for 2002 but exceeds the percentage of families in this income level in 2003 and is considered adequate. For home improvement loans, the percentage is near to the level of families in this income level. However, the bank's home refinance lending to low and moderate-income borrowers is below the demographics for 2002 and 2003 and is considered poor. Century Bank has attempted to overcome barriers which prevent low and moderate-income families from obtaining credit by establishing an internal LMI Loan Program. This program offers more flexible underwriting guidelines

and provides more affordable terms for those who may not otherwise qualify for conventional financing.

### ***Small Loans to Businesses***

Refer to Table 11 in Appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination/purchase of small loans to businesses.

The distribution of loans to small businesses is good. In 2002, the percentage of loans to business with revenues of \$1 million or less is less than the percentage of businesses with revenues of \$1 million or less in the AA. The bank's market share of loans to these businesses exceeds its overall market share. In 2003, the percentage of loans to businesses with revenues of \$1 million or less exceeds this percentage. In addition, a substantial majority of the loans are for amounts of \$100,000 or less in both years.

### ***Small Loans to Farms***

Refer to Table 12 in Appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination/purchase of small loans to farms.

The distribution of loans to small farms in the Texarkana MSA is excellent. The percentage of loans to farms with revenues of \$1 million or less exceeds the percentage of farms with revenues of \$1 million or less in the AA. The market share of loans to these farms is equal to its overall market share. In addition, a substantial majority of the loans are for \$100,000 or less.

## **Community Development Lending**

Refer to Table 1 Lending Volume in Appendix D for the facts and data used to evaluate the bank's level of community development lending. This table includes all community development loans, including multifamily loans that also qualify as community development loans. In addition, Table 5 includes geographic lending data on all multifamily loans, including those that also qualify as community development loans. Table 5 does not separately list community development loans, however.

Community development lending had a positive affect on the Lending Test conclusions. During the evaluation period, the bank had four loans totaling approximately \$3.5 million which qualify as community development in the Texarkana MSA. These loans met credit needs for low and moderate-income individuals or provided for the revitalization of low or moderate-income geographies.

## **Product Innovation and Flexibility**

Since the previous CRA examination, Century Bank introduced a new internal loan program to finance the purchase of residential real estate for low and moderate-income individuals. The LMI Program provides more affordable terms for those who may not

otherwise qualify for conventional financing. Century Bank also participates in the Northeast Texas Housing Finance Corporation. This program provides closing costs assistance to first time homebuyers while specifically targeting low and moderate-income families and census tracts. These new programs have been recently introduced with no loans originated at this time.

## **INVESTMENT TEST**

Refer to Table 14 in Appendix D for the facts and data used to evaluate the bank's level of qualified investments.

The bank's performance under the investment test is rated "Low Satisfactory". Based on the full scope review, the bank's performance in the Texarkana MSA is adequate.

Qualifying investments are investments, deposits, membership shares, or grants that have as their primary purpose community development, as defined in the CRA regulation. Based on research and discussions with community contacts, investment opportunities in the Texarkana MSA are limited. Century Bank's qualifying investments are centered in investments and donations with the primary purpose of affordable housing and community development services targeted to low- and moderate-income households.

The bank has provided an adequate level of qualified community development investments. The bank recently invested \$500 thousand in the CRA Qualified Investment Fund. This is an intermediate term bond mutual fund that subsequently invested in Texas Public Finance Authority bonds with the proceeds providing financial support for ongoing unemployment benefits including the programs of the Texas Workforce Commission. In addition, the bank is committed to local organizations that provide community services by providing donations to several organizations in the assessment area. Donations are to organizations that promote affordable housing, youth programs, that benefit low and moderate-income children, programs that assist low and moderate-income families and business and economic development.

## **SERVICE TEST**

### **Retail Banking Services**

Refer to Table 15 in the "Multistate Metropolitan Area(s)" section of appendix D for the facts and data used to evaluate the distribution of the bank's branch delivery system and branch openings and closings.

The delivery systems of the bank are accessible to geographies and individuals of different income levels throughout the Texarkana MSA. The bank operates 11 banking offices that are conveniently located in this AA. These branches are located in two moderate, 7 middle and two upper income census tracts. Due to the close proximity to

the boundaries of the low-income tracts, the branch locations are easily accessible to all areas. In February 2002, the bank merged with its affiliated bank of the same name located in Texarkana, Arkansas, which is a part of the Texarkana MSA. The bank then further expanded opening two branches in moderate-income tracts, two in middle-income tracts and one in an upper income tract during this assessment period. In addition, the bank is expanding its area of operation and has opened other branches outside the Texarkana MSA in late 2003 and in 2004. These branches are located in the adjacent non-MSA counties of Cass County Texas and Little River County Arkansas. Both of these branches are located in middle-income areas. Furthermore, the bank has expanded into the Dallas metroplex with a branch located in northern Dallas, which is considered an upper income tract. These offices are located in areas outside the Texarkana MSA and were not open long enough to perform an evaluation for CRA purposes.

A wide range of financial services are provided at each branch and are consistent throughout the bank's branch network. The bank offers ATMs at each branch location as well as offering telephone and Internet banking services, ACH deposits and low cost checking accounts. In addition to a wide range of products and services, the bank offers the innovative service of being open seven days a week and are only closed on five federal holidays per year. The bank also is open extended hours at each location in order to better service the customers needs. The bank has also placed coin-counting machines in each lobby that are free and available for public use. We could not place significant weight on the alternative delivery systems when drawing our conclusions because no data was available to judge the accessibility and effectiveness of such systems to low and moderate-income individuals.

### **Community Development Services**

In addition to retail banking services, the bank provides an adequate level of community services. The bank is working with the local housing authorities to provide financial seminars to low income tenants. Seminars cover a variety of topics including understanding banking services and products, managing personal finances, understanding and improving credit histories, and understanding and choosing loan products. Bank officers are also active in numerous local organizations that promote community development such as the New Boston and Texarkana Housing Authorities, the local Chambers of Commerce, and the New Boston Special Industrial Board and other community organizations which target low and moderate income individual persons and families. CD services are not considered complex or innovative and had a neutral effect on the Service Test conclusions.



## Appendix A: Scope of Examination

The following table identifies the time period covered in this evaluation, affiliate activities that were reviewed, and loan products considered. The table also reflects the metropolitan and non-metropolitan areas that received comprehensive examination review (designated by the term “full-scope”) and those that received a less comprehensive review (designated by the term “limited-scope”).

<b>Time Period Reviewed</b>	Lending Test (excludes CD loans): 01/01/2002 to 12/31/2003 Investment and Service Tests and CD Loans: 07/02/2001 to 06/28/2004	
<b>Financial Institution</b>		<b>Products Reviewed</b>
Century Bank New Boston, Texas		Home Mortgage Loans and Small Loans to Businesses, CD Loans, CD Services, CD Investments
<b>Affiliate(s)</b>	<b>Affiliate Relationship</b>	<b>Products Reviewed</b>
None		
<b>List of Assessment Areas and Type of Examination</b>		
<b>Assessment Area</b>	<b>Type of Exam</b>	<b>Other Information</b>
Texarkana MSA	Full-Scope	



## Appendix C: Market Profiles for Full-Scope Areas

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#### Market Profiles for Areas Receiving Full-Scope Reviews

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**Texarkana Multistate Metropolitan Area 1990 Census Data**

Demographic Information for Full-Scope Area: Texarkana MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	28	10.71	21.43	50.00	17.86	0.00
Population by Geography	120,132	4.05	12.62	63.24	20.10	0.00
Owner-Occupied Housing by Geography	31,414	2.46	10.81	66.64	20.09	0.00
Businesses by Geography	7,376	4.69	17.46	51.27	26.57	0.00
Farms by Geography	230	0.43	2.17	74.78	22.61	0.00
Family Distribution by Income Level	33,076	22.81	16.53	20.32	40.35	0.00
Distribution of Low- and Moderate-Income Families throughout AA Geographies	13,009	7.15	18.02	63.40	11.43	0.00
Median Family Income HUD Adjusted Median Family Income for 2002 Households Below the Poverty Level	= \$28,088 = \$40,700 = 19.08%	Median Housing Value Unemployment Rate		= \$45,456 = 3.2%		

(\*) The NA category consists of geographies that have not been assigned an income classification.  
Source: 1990 U.S. Census, and 2002 HUD updated MFI.

The Texarkana MSA is a multi-state MSA that consists of Bowie County, Texas and Miller County Arkansas. Based on the 1990 census information, the MSA included 28 CT with 3 low-income CTs, 6 moderate-income CTs, 14 middle-income CTs, and 5 upper income CTs. The MSA has a total population of 120,132. However, this information was revised after the 2000 census. See the following chart for updated demographic information. Eleven of the bank’s branches are located in this assessment area with all deposits and loans reported for this evaluation period originating in this AA. Numerous other institutions compete in this market with Century Bank having the largest market share of deposits with 26%. Century Bank is a retail-oriented bank with a focus on mortgage and commercial lending. The area’s economy is considered stable. Major employers include the Red River Army Depot, Cooper Tire and Rubber, Christus St. Michael Health System and Wadley Regional Medical. Competition in the Texarkana MSA is strong with numerous banks, branches or other banks, and credit unions in the area. We contacted a local business organization and realtor to obtain current demographic information. The realtor stated that recent housing starts were at the high end of the market with little to now low or moderate housing being developed. A contact with a local home builder identified lot availability and financing as obstacles in building low income rental housing.

**Texarkana Multistate Metropolitan Area 2000 Census Data**

Demographic Information for Full-Scope Area: Texarkana MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	26	11.54	15.38	61.54	11.54	0.00
Population by Geography	129,749	6.42	11.22	68.55	13.81	0.00
Owner-Occupied Housing by Geography	34,073	3.51	8.79	72.42	15.28	0.00
Businesses by Geography	7,419	9.95	17.60	54.50	17.95	0.00
Farms by Geography	255	1.18	5.88	78.43	14.51	0.00
Family Distribution by Income Level	34,686	23.21	16.46	19.47	40.85	0.00
Distribution of Low- and Moderate-Income Families throughout AA Geographies	13,763	10.89	14.91	66.05	8.15	0.00
Median Family Income HUD Adjusted Median Family Income for 2003 Households Below the Poverty Level	= \$39,704 = \$44,300 = 17.41%	Median Housing Value Unemployment Rate		=60,701 =4.7%		

(\*) The NA category consists of geographies that have not been assigned an income classification.  
Source: 2000 U.S. Census, and 2003 HUD updated MFI.

The above chart reflects updated demographic information based upon 2000 census information. The Texarkana MSA now includes 3 low income CTs, 4 moderate income CTs, 16 middle income CTs, and 3 upper income CTs. Due to the timing and availability of this information, the bank's performance in 2002 is compared to 1990 census information while 2003 performance is compared to 2000 census information. Aggregate HMDA and CRA data for 2003 is not available and therefore, the bank's market share information was not available for review.

## Appendix D: Tables of Performance Data

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## Content of Standardized Tables

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A separate set of tables is provided for each state. All multistate metropolitan areas are presented in one set of tables. References to the “bank” include activities of any affiliates that the bank provided for consideration (refer to appendix A: Scope of the Examination). For purposes of reviewing the lending test tables, the following are applicable: purchased loans are treated as originations/purchases and market share is the number of loans originated and purchased by the bank as a percentage of the aggregate number of reportable loans originated and purchased by all lenders in the MA/assessment area. Deposit data are compiled by the FDIC and are available as of June 30<sup>th</sup> of each year. Tables without data are not included in this PE.

The following is a listing and brief description of the tables included in each set:

**Table 1. Lending Volume** - Presents the number and dollar amount of reportable loans originated and purchased by the bank over the evaluation period by MA/assessment area. Community development loans to statewide or regional entities or made outside the bank’s assessment area may receive positive CRA consideration. Refer to Interagency Q&As \_\_.12(i) - 5 and - 6 for guidance on when a bank may receive positive CRA consideration for such loans. When such loans exist, insert a line item with the appropriate caption, such as “Statewide/Regional” or “Out of Assessment Area,” in the MA/Assessment Area column and record the corresponding numbers and amounts in the “Community Development Loans” column.

**Table 1. Other Products** - Presents the number and dollar amount of any unreported category of loans originated and purchased by the bank, if applicable, over the evaluation period by MA/assessment area. Examples include consumer loans or other data that a bank may provide, at its option, concerning its lending performance. This is a two-page table that lists specific categories. These tables are not applicable to this institution and, therefore, have been deleted from this report.

**Table 2. Geographic Distribution of Home Purchase Loans** - Compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of owner-occupied housing units throughout those geographies. The table also presents market share information based on the most recent aggregate market data available.

**Table 3. Geographic Distribution of Home Improvement Loans** - See Table 2.

**Table 4. Geographic Distribution of Home Mortgage Refinance Loans** - See Table 2.

**Table 5. Geographic Distribution of Multifamily Loans** - Compares the percentage distribution of the number of multifamily loans originated and

purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of multifamily housing units throughout those geographies. The table also presents market share information based on the most recent aggregate market data available.

- Table 6.** Geographic Distribution of Small Loans to Businesses - The percentage distribution of the number of small loans (less than or equal to \$1 million) to businesses originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of businesses (regardless of revenue size) throughout those geographies. The table also presents market share information based on the most recent aggregate market data available. Because small business data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank’s assessment area.
- Table 7.** **Geographic Distribution of Small Loans to Farms** - The percentage distribution of the number of small loans (less than or equal to \$500,000) to farms originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of farms (regardless of revenue size) throughout those geographies. The table also presents market share information based on the most recent aggregate market data available. Because small farm data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank’s assessment area.
- Table 8.** **Borrower Distribution of Home Purchase Loans** - Compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage distribution of families by income level in each MA/assessment area. The table also presents market share information based on the most recent aggregate market data available.
- Table 9.** **Borrower Distribution of Home Improvement Loans** - See Table 8.
- Table 10.** **Borrower Distribution of Refinance Loans** - See Table 8.
- Table 11.** **Borrower Distribution of Small Loans to Businesses** - Compares the percentage distribution of the number of small loans (less than or equal to \$1 million) originated and purchased by the bank to businesses with revenues of \$1 million or less to the percentage distribution of businesses with revenues of \$1 million or less. In addition, the table presents the percentage distribution of the number of loans originated and purchased by the bank by loan size, regardless of the revenue size of the business. Market share information is presented based on the most recent aggregate market data available.



**Table 12. Borrower Distribution of Small Loans to Farms** - Compares the percentage distribution of the number of small loans (less than or equal to \$500,000) originated and purchased by the bank to farms with revenues of \$1 million or less to the percentage distribution of farms with revenues of \$1 million or less. In addition, the table presents the percentage distribution of the number of loans originated and purchased by the bank by loan size, regardless of the revenue size of the farm. Market share information is presented based on the most recent aggregate market data available.

**Table 13. Geographic and Borrower Distribution of Consumer Loans (OPTIONAL)** - For geographic distribution, the table compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of households within each geography. For borrower distribution, the table compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage of households by income level in each MA/assessment area.

**Table 14. Qualified Investments** - Presents the number and dollar amount of qualified investments made by the bank in each MA/AA. The table separately presents investments made during prior evaluation periods that are still outstanding and investments made during the current evaluation period. Prior-period investments are reflected at their book value as of the end of the evaluation period. Current period investments are reflected at their original investment amount even if that amount is greater than the current book value of the investment. The table also presents the number and dollar amount of unfunded qualified investment commitments. In order to be included, an unfunded commitment must be legally binding and tracked and recorded by the bank's financial reporting system.

A bank may receive positive consideration for qualified investments in statewide/regional entities or made outside of the bank's assessment area. See Interagency Q&As \_\_.12(i) - 5 and - 6 for guidance on when a bank may receive positive CRA consideration for such investments. When such investments exist, insert a line item with the appropriate caption, such as "Statewide/Regional" or "Out of Assessment Area," in the MA/Assessment Area column and record the corresponding numbers and amounts in the "Qualified Investments" column.

**Table 15. Distribution of Branch Delivery System and Branch Openings/Closings** - Compares the percentage distribution of the number of the bank's branches in low-, moderate-, middle-, and upper-income geographies to the percentage of the population within each geography in each MA/AA. The table also presents data on branch openings and closings in each MA/AA.

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Institution ID: 1000005636 CENTURY BANK N.A.

**Table 1. Lending Volume**

LENDING VOLUME												
Geography: TEXARKANA MSA												
Evaluation Period: JANUARY 1, 2002 TO DECEMBER 31, 2003												
MA/Assessment Area:	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	
<b>Full Review:</b>												
Texarkana MSA (2002)	100.00	505	50,019	253	27,321	63	5,133	0	0	821	82,473	100.00
Texarkana MSA (2003)	100.00	638	61,121	354	31,585	96	3,765	4	3,470	1,092	99,941	100.00

\* Loan Data as of December 31, 2003. Rated area refers to either the state or multi-state MA rating area.  
 \*\* The evaluation period for Community Development Loans is From July 01, 2001 to June 28, 2004.  
 \*\*\* Deposit Data as of June 30, 2003. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

Institution ID: 1000005636 CENTURY BANK N.A.

**Table 2. Geographic Distribution of Home Purchase Loans**

Geographic Distribution: HOME PURCHASE		Geography: TEXARKANA MSA				Evaluation Period: JANUARY 1, 2002 TO DECEMBER 31, 2003					Market Share (%) by Geography*				
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp
	#	% of Total**	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans					
<b>Full Review:</b>															
Texarkana MSA (2002)	268	100.00	2.46	0.37	10.81	2.99	66.64	58.21	20.09	38.43	11.28	5.56	5.93	10.64	13.62
Texarkana MSA (2003)	338	100.00	3.51	0.60	8.79	3.80	72.42	71.00	15.28	24.60	NA	NA	NA	NA	NA

\* Based on 2002 Peer Mortgage Data: Southwest Region.

\*\* Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied housing units in a particular geography divided by the number of owner occupied housing units in the area based on 1990 and 2000 Census information.

Institution ID: 1000005636 CENTURY BANK N.A.

Table 3. Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT		Geography: TEXARKANA MSA					Evaluation Period: JANUARY 1, 2002 TO DECEMBER 31, 2003					Market Share (%) by Geography*				
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans						
<b>Full Review:</b>																
Texarkana MSA (2002)	70	100.00	2.46	0.00	10.81	1.43	66.64	71.43	20.09	27.14	15.23	0.00	2.63	17.44	15.45	
Texarkana MSA (2003)	83	100.00	3.51	0.00	8.79	3.60	72.42	77.10	15.28	19.30	NA	NA	NA	NA	NA	

\* Based on 2002 Peer Mortgage Data: Southwest Region.

\*\* Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied housing units in a particular geography divided by number of owner occupied housing units in the area based on 1990 and 2000 Census information.

Institution ID: 1000005636 CENTURY BANK N.A.

**Table 4. Geographic Distribution of Home Mortgage Refinance Loans**

Geographic Distribution: HOME MORTGAGE REFINANCE		Geography: TEXARKANA MSA					Evaluation Period: JANUARY 1, 2002 TO DECEMBER 31, 2003					Market Share (%) by Geography*				
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans						
<b>Full Review:</b>																
Texarkana MSA (2002)	164	100.00	2.46	1.83	10.81	3.05	66.64	63.41	20.09	31.71	9.03	23.08	4.95	9.53	8.51	
Texarkana MSA (2003)	211	100.00	3.51	0.50	8.79	3.30	72.42	64.00	15.28	32.20	NA	NA	NA	NA	NA	

\* Based on 2002 Peer Mortgage Data: Southwest Region.

\*\* Home mortgage refinance loans originated and purchased in the MA/AA as a percentage of all home mortgage refinance loans originated and purchased in the rated area.

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied housing units in a particular geography divided by number of owner occupied housing units in the area based on 1990 and 2000 Census information.

Institution ID: 1000005636 CENTURY BANK N.A.

**Table 5. Geographic Distribution of Multifamily Loans**

Geographic Distribution: MULTIFAMILY		Geography: TEXARKANA MSA					Evaluation Period: JANUARY 1, 2002 TO DECEMBER 31, 2003					Market Share (%) by Geography*				
MA/Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% of MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans						
<b>Full Review:</b>																
Texarkana MSA (2002)	3	100.00	12.87	0.00	8.99	0.00	37.84	100.00	40.31	0.00	20.00	0.00	0.00	30.00	0.00	
Texarkana MSA (2003)	6	100.00	9.15	16.70	21.05	0.00	48.59	33.30	21.22	50.00	NA	NA	NA	NA	NA	

\* Based on 2002 Peer Mortgage Data: Southwest Region.

\*\* Multifamily loans originated and purchased in the MA/AA as a percentage of all multifamily loans originated and purchased in the rated area.

\*\*\* Percentage of multifamily units is the number of multifamily housing units in a particular geography divided by number of multifamily housing units in the area based on 1990 and 2000 Census information.

Institution ID: 1000005636 CENTURY BANK N.A.

**Table 6. Geographic Distribution of Small Loans to Businesses**

Geographic Distribution: SMALL LOANS TO BUSINESSES															
Geography: TEXARKANA MSA															
Evaluation Period: JANUARY 1, 2002 TO DECEMBER 31, 2003															
MA/Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% of Businesses ***	% BANK Loans	% of Businesses ***	% BANK Loans	% of Businesses ***	% BANK Loans	% of Businesses ***	% BANK Loans	Overall	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Texarkana MSA (2002)	253	100.00	4.69	2.37	17.46	12.65	51.27	54.55	26.57	30.43	6.46	4.17	6.68	7.74	6.77
Texarkana MSA (2003)	354	100.00	9.95	3.70	17.60	10.20	54.50	54.80	17.95	31.40	NA	NA	NA	NA	NA

\* Based on 2002 Peer Small Business Data: US and PR.

\*\* Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

\*\*\* Source Data - Dun and Bradstreet (2002 and 2003).

Institution ID: 1000005636 CENTURY BANK N.A.

**Table 7. Geographic Distribution of Small Loans to Farms**

Geographic Distribution: SMALL LOANS TO FARMS		Geography: TEXARKANA MSA					Evaluation Period: JANUARY 1, 2002 TO DECEMBER 31, 2003					Market Share (%) by Geography*				
MA/Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% of Farms***	% BANK Loans	% of Farms**	% BANK Loans	% of Farms**	% BANK Loans	% of Farms**	% BANK Loans						
<b>Full Review:</b>																
Texarkana MSA (2002)	63	100.00	0.43	0.00	2.17	0.00	74.78	87.30	22.61	12.70	18.26	0.00	0.00	19.86	13.79	
Texarkana MSA (2003)	96	100.00	1.18	1.00	5.88	1.00	78.43	93.80	14.51	4.20	NA	NA	NA	NA	NA	

\* Based on 2002 Peer Small Business Data: US and PR.

\*\* Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.

\*\*\* Source Data - Dun and Bradstreet (2002 and 2003).



Institution ID: 1000005636 CENTURY BANK N.A.

**Table 8. Borrower Distribution of Home Purchase Loans**

Borrower Distribution: HOME PURCHASE		Geography: TEXARKANA MSA					Evaluation Period: JANUARY 1, 2002 TO DECEMBER 31, 2003					Market Share*				
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****						
<b>Full Review:</b>																
Texarkana MSA (2002)	268	100.00	22.81	3.14	16.53	12.94	20.32	17.65	40.35	66.27	13.80	7.48	10.37	10.34	17.12	
Texarkana MSA (2003)	338	100.00	23.21	8.30	16.46	17.50	19.47	23.40	40.85	47.90	NA	NA	NA	NA	NA	

\* Based on 2002 Peer Mortgage Data: Southwest Region.

\*\* As a percentage of loans with borrower income information available. No information was available for 4.85% and 2.96% of loans originated and purchased by BANK in 2002 and 2003 respectively.

\*\*\* Percentage of Families is based on the 1990 and 2000 Census information.

\*\*\*\* Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

Institution ID: 1000005636 CENTURY BANK N.A.

**Table 9. Borrower Distribution of Home Improvement Loans**

Borrower Distribution: HOME IMPROVEMENT		Geography: TEXARKANA MSA					Evaluation Period: JANUARY 1, 2002 TO DECEMBER 31, 2003					Market Share*				
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****						
<b>Full Review:</b>																
Texarkana MSA (2002)	70	100.00	22.81	4.76	16.53	15.87	20.32	26.98	40.35	52.38	14.48	6.82	16.18	15.60	14.93	
Texarkana MSA (2003)	83	100.00	23.21	10.80	16.46	15.70	19.47	24.10	40.85	47.00	NA	NA	NA	NA	NA	

\* Based on 2002 Peer Mortgage Data: Southwest Region.

\*\* As a percentage of loans with borrower income information available. No information was available for 10.00% and 2.41% of loans originated and purchased by BANK in 2002 and 2003 respectively.

\*\*\* Percentage of Families is based on the 1990 and 2000 Census information.

\*\*\*\* Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

Institution ID: 1000005636 CENTURY BANK N.A.

**Table 10. Borrower Distribution of Home Mortgage Refinance Loans**

Borrower Distribution: HOME MORTGAGE REFINANCE		Geography: TEXARKANA MSA					Evaluation Period: JANUARY 1, 2002 TO DECEMBER 31, 2003					Market Share*				
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****						
<b>Full Review:</b>																
Texarkana MSA (2002)	164	100.00	22.81	2.52	16.53	6.92	20.32	16.35	40.35	74.21	11.38	8.70	7.48	9.22	12.80	
Texarkana MSA (2003)	211	100.00	23.21	1.90	16.46	9.00	19.47	14.70	40.85	72.50	NA	NA	NA	NA	NA	

\* Based on 2002 Peer Mortgage Data: Southwest Region.

\*\* As a percentage of loans with borrower income information available. No information was available for 3.05% and 1.90% of loans originated and purchased by BANK in 2002 and 2003 respectively.

\*\*\* Percentage of Families is based on the 1990 and 2000 Census information.

\*\*\*\* Home mortgage refinance loans originated and purchased in the MA/AA as a percentage of all home mortgage refinance loans originated and purchased in the rated area.

Institution ID: 1000005636 CENTURY BANK N.A.

**Table 11. Borrower Distribution of Small Loans to Businesses**

Borrower Distribution: SMALL LOANS TO BUSINESSES		Geography: TEXARKANA MSA			Evaluation Period: JANUARY 1, 2002 TO DECEMBER 31, 2003				
MA/Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Market Share*	
	#	% of Total**	% of Businesses***	% BANK Loans****	\$100,000 or less	> \$100,000 to \$250,000	> \$250,000 to \$1,000,000	All	Rev\$ 1 Million or Less
<b>Full Review:</b>									
Texarkana MSA (2002)	253	100.00	77.11	63.24	76.68	13.44	9.88	6.46	9.06
Texarkana MSA (2003)	354	100.00	63.20	69.80	81.07	10.45	8.48	NA	NA

\* Based on 2002 Peer Small Business Data: US and PR.

\*\* Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

\*\*\* Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B – 2002 and 2003).

\*\*\*\* Small loans to businesses with revenues of \$1 million or less as a percentage of all loans reported as small loans to businesses. No information was available for 0.00% of small loans to businesses originated and purchased by the bank.

Institution ID: 1000005636 CENTURY BANK N.A.

**Table 12. Borrower Distribution of Small Loans to Farms**

Borrower Distribution: SMALL LOANS TO FARMS		Geography: TEXARKANA MSA			Evaluation Period: JANUARY 1, 2002 TO DECEMBER 31, 2003				
MA/Assessment Area:	Total Small Loans to Farms		Farms With Revenues of \$1 million or less		Loans by Original Amount Regardless of Farm Size			Market Share*	
	#	% of Total**	% of Farms***	% BANK Loans****	\$100,000 or less	> \$100,000 to \$250,000	> \$250,000 to \$1,000,000	All	Rev\$ 1 Million or Less
<b>Full Review:</b>									
Texarkana MSA (2002)	63	100.00	93.91	98.41	76.19	12.70	11.11	18.26	18.18
Texarkana MSA (2003)	96	100.00	93.91	98.86	91.67	7.29	1.04	NA	NA

\* Based on 2002 Peer Small Business Data: US and PR.

\*\* Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.

\*\*\* Farms with revenues of \$1 million or less as a percentage of all farms (Source D&B – 2002 and 2003).

\*\*\*\* Small loans to farms with revenues of \$1 million or less as a percentage of all loans reported as small loans to farms. No information was available for 0.00% of small loans to farms originated and purchased by the bank.

Institution ID: 1000005636 CENTURY BANK N.A.

**Table 14. Qualified Investments**

QUALIFIED INVESTMENTS									
			Geography: TEXARKANA MSA		Evaluation Period: JULY 2, 2001 TO JUNE 28, 2004				
MA/Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
<b>Full Review:</b>									
Texarkana MSA	0	0	34	529	34	529	100.00	0	0

\* 'Prior Period Investments' means investments made in a previous evaluation period that are outstanding as of the examination date.

\*\* 'Unfunded Commitments' means legally binding investment commitments that are tracked and recorded by the institution's financial reporting system.

Institution ID: 1000005636 CENTURY BANK N.A.

**Table 15. Distribution of Branch Delivery System and Branch Openings/Closings**

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS																	
Geography: TEXARKANA MSA																	
Evaluation Period: JULY 2, 2001 TO JUNE 28 2004																	
MA/Assessment Area:	Deposits	Branches						Branch Openings/Closings						Population			
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
<b>Full Review:</b>																	
Texarkana MSA	100.00	11	79	0.00	18.18	63.64	18.18	5	0	0	2	2	1	4.05	12.62	63.24	20.10
Not Reviewed:																	
Cass County, TX	0.00	1	7	0.00	0.00	100.00	0.00	1	0	0	0	1	0	0	0	100.00	0
Little River County, AR	0.00	1	7	0.00	0.00	100.00	0.00	1	0	0	0	1	0	0	0	83.45	16.55
Dallas, TX MSA	0.00	1	7	0.00	0.00	0.00	100.00	1	0	0	0	0	1	NA	NA	NA	NA