

PUBLIC DISCLOSURE

March 7, 2005

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

**Cameron State Bank
Certificate Number: 19541**

**4440 Nelson Road
P.O. Box 7980
Lake Charles, Louisiana 70606-7980**

Federal Deposit Insurance Corporation

**Division of Supervision and Consumer Protection
1910 Pacific Avenue, 19th Floor
Dallas, Texas 75201**

NOTE: 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.

LENDING, INVESTMENT, AND SERVICE TEST TABLE

The following table indicates the performance level of **Cameron State Bank** with respect to the lending, investment, and service tests.

PERFORMANCE LEVELS	<u>Cameron State Bank</u>		
	PERFORMANCE TESTS		
	Lending Test*	Investment Test	Service Test
Outstanding			X
High Satisfactory	X	X	
Low Satisfactory			
Needs to Improve			
Substantial Noncompliance			

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

DESCRIPTION OF INSTITUTION

Background

Cameron State Bank, established in 1967, is headquartered at 4440 Nelson Road in Lake Charles, Louisiana, with sixteen branch offices established in the Lake Charles MSA and eight in the surrounding parishes of Allen and Cameron. Each office is equipped with an automated teller machine (ATM) for service and convenience. In addition, there are 39 off-sight ATMs located throughout the banks assessment area. The bank also provides phone banking and Internet banking.

Ability and Capacity

The bank's primary business focus is commercial and residential lending; as indicated by a construction/land development/commercial purpose lending level of 57 percent and a residential real estate lending level of 24 percent. The bank offers a full line of loan and deposit products. As of December 31, 2004, the bank reported assets of \$467,067,000, loans of \$291,114,000, and deposits of \$388,534,000. Balance sheet composition is centered in the investment and loan portfolios representing 24 percent and 62 percent, respectively. The loan-to-deposit ratio for this same time period was 88.78 percent.

<i>Table 19 - Qualified Investments</i>		
Description	Number	Dollar (000s)
Securities backed by mortgages to low- and moderate-income persons	0	0
Organizations supporting activities essential to the capacity of LMI individuals and geographies to utilize credit or to sustain economic development	3	1,915,000
<i>Total Debt or Equity Investments</i>	3	1,915,000
Other Qualified Grants and Donations	0	0
<i>Total Qualified Grants and Donations</i>	0	0
Grand Total	3	1,915,000

Source: Bank Records

Qualified investments include a \$990,000 investment that went to the Holly House Nursing Home. Funds were used to sponsor the Sulfur, Louisiana nursing home in the National Senior Housing Crime Prevention Foundation (Senior Crime Stoppers Program). An additional, \$500,000 went for investment in the CRA Investment Fund that benefited the general locality of the bank's assessment area.

SERVICE TEST

Cameron State Bank demonstrated an outstanding performance with regard to the Service Test. An outstanding record of providing community development services on top of a strong record of providing retail banking services support the rating. Appendix E enumerates the criteria used to evaluate this test.

Retail Banking Services

Supported primarily by its alternative delivery systems offered and its range of services offered, the bank demonstrated a satisfactory record of delivering retail banking services.

Distribution of Branches

The bank's branches are reasonably distributed throughout the assessment area. Four branch offices are located in moderate income tracts and five off-site ATMs are located in moderate income tracts. All remaining offices are located in either middle- or upper-income areas. As previously noted, the assessment area has only two low-income census tract and only 12 moderate-income tracts. The offices' locations allow easy accessibility to all segments of the bank's assessment area.