



SMALL BANK

Comptroller of the Currency
Administrator of National Banks

PUBLIC DISCLOSURE

November 4, 2002

**COMMUNITY REINVESTMENT ACT
PERFORMANCE EVALUATION**

**Shamrock Bank, N.A.
Charter Number 12529**

**101 North Main Street
Coalgate, Oklahoma 74538**

**Comptroller of the Currency
7134 South Yale, Suite 910
Tulsa, OK 74136**

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.

General Information

The Community Reinvestment Act (CRA) requires each federal financial supervisory agency to use its authority, when examining financial institutions subject to its supervision, to assess the 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. Upon conclusion of such examination, the agency must prepare a written evaluation of the institution's record of meeting the credit needs of its community.

This document is an evaluation of the CRA performance of **Shamrock Bank, N.A.** prepared by the Office of the Comptroller of the Currency, the institution's supervisory agency, as of November 4, 2002. The agency rates the CRA performance of an institution consistent with the provisions set forth in Appendix A to 12 C.F.R. Part 25.

Note: Throughout this evaluation, Shamrock Bank, N.A. will be referred to as "SBNA."

Institution's CRA Rating: This institution is rated Satisfactory.

- SBNA's lending performance is satisfactory given its size, financial condition, and known credit needs in its assessment area.
- SBNA's loan to deposit (LTD) ratio is adequate and has averaged 51.49% since our last examination.
- Management demonstrates a willingness to originate loans to low- and moderate-income individuals (LMI) and small businesses.
- SBNA generates a substantial majority of its loans within the defined assessment area.

The following pages further describe the bank's CRA performance.

Description of Institution

SBNA is a \$142 million rural community bank headquartered in Coalgate, Oklahoma. The bank has six branches and one Loan Production Office, all located in Oklahoma. The bank's primary focus is to serve agricultural, commercial and consumer customers in the eight counties comprising its assessment area. The bank meets these needs by providing various loan and deposit products as well as other financial services. The bank's lending strategy focuses on one-to-four family real estate loans, consumer loans, and small business and agricultural loans to meet the needs of the community. The table below shows the composition of the bank's loan portfolio, which represents approximately 57% of total assets as of September 23, 2002.

Loan Category	\$ (000)	%
Commercial Real Estate Loans	5,808	7.35
Commercial Loans	9,720	12.31
Residential Real Estate Loans	11,833	14.99
Livestock Loans	11,251	14.26
Farm Real Estate Loans	11,067	14.03
Equipment	4,468	5.67
Farm Operating and feed	3,333	4.23
Consumer Loans	13,522	17.14
Other Loans	7,909	10.02
Total	78,911	100%

Bank lobby services are provided Monday through Friday with some drive-in facilities open on Saturday. Based on its financial condition, the local economy, product offerings, competition, and prior performance, SBNA has the ability to meet the various credit needs in its community. At our last CRA examination as of December 3, 1996, the bank's CRA rating was "Satisfactory." No legal impediments or other factors hinder the bank's ability to provide credit in its assessment area.

Description of Assessment Area

SBNA's assessment area meets the requirements of the regulation and does not arbitrarily exclude low-or-moderate income geographies. The following table describes major demographic and economic characteristics of the assessment area.

DEMOGRAPHIC AND ECONOMIC CHARACTERISTICS OF AA	
<i>Population</i>	
Number of Families	39,673
Number of Households	53,987
<i>Geographies</i>	
Number of Census Tracts/BNA	46
% Low-Income Census Tracts/BNA	0
% Moderate-Income Census Tracts/BNA	48%
% Middle-Income Census Tracts/BNA	46%
% Upper-Income Census Tracts/BNA	6%
<i>Median Family Income (MFI)</i>	
1990 MFI for AA	20,543
2000 HUD- Adjusted MFI	34,000
<i>Economic Indicators</i>	
2000 Median Housing Value	30,884
# of Households Below Poverty Level	5,783

The assessment area includes all of census tracts in the following counties:

Atoka
 Bryan
 Caddo
 Coal
 Jackson
 Kiowa
 Pushmataha
 Washita

We contacted a local community service organization to gain a better understanding of the needs of the citizens residing within the assessment area. They stated that SBNA is active in the community and responsive to the credit needs in its assessment area.

CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA

Loan-to-Deposit Ratio (LTD)

SBNA's LTD ratio is in line with that of peer banks in the assessment area. The bank's LTD ratio since the last examination has averaged 51.49%, which is reasonable compared to peer banks that averaged a LTD ratio of 60.41% over the same time period.

Lending in the Assessment Area

The vast majority of SBNA's loans are made within the assessment area. Our review indicated that as of 9/23/2002, 74% of the dollar amount of loans were originated in the bank's assessment area. Also, 82% of the number of loans were originated in the bank's assessment area.

Lending to Borrowers of Different Incomes and Businesses of Different Sizes

Recent lending patterns indicate a reasonable distribution of loans among borrowers of different income levels and businesses of different sizes. We based our review on a sample of 22 1-4 family residential real estate loans and 21 auto loans within the assessment areas.

TOTAL LOANS REVIEWED								
Borrower Income Level	LOW		MODERATE		MIDDLE		UPPER	
% of AA Families	26.07		19.48		19.88		34.58	
	% of Number	% of Amount	% of Number	% of Amount	% of Number	% of Amount	% of Number	% of Amount
Auto Loans	33.33	24.59	28.57	29.25	19.05	13.13	19.05	33.02
Residential Real Estate	18.18	13.44	22.73	18.03	22.73	19.44	36.36	49.1

Responses to Complaints

SBNA has not received any complaints relevant to CRA during the evaluation period.

Compliance with Fair Lending Laws and Regulations

A fair lending review was performed as of April 12, 2000 to determine if lending decisions are consistent among similarly qualified applicants, regardless of any prohibited basis listed in 12 CFR 202.2(z) - *Equal Credit Opportunity Act (ECOA)*. We found no evidence of discriminatory lending acts or practices. The bank is in compliance with the substantive provisions of the ECOA.