



# Office of the Comptroller of the Currency

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## Interpretations - Corporate Decision #96-50

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### **DECISION OF THE COMPTROLLER OF THE CURRENCY ON THE APPLICATION TO MERGE FIRST COMMUNITY BANK, LONE GROVE, OKLAHOMA INTO FIRST NATIONAL BANK & TRUST COMPANY OF ARDMORE, ARDMORE, OKLAHOMA**

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#### **Introduction**

On July 15, 1996, application was made to the Comptroller of the Currency ("OCC") for prior authorization to merge First Community Bank, Lone Grove, Oklahoma ("First Community") into First National Bank & Trust Company of Ardmore, Ardmore, Oklahoma ("First National"). This application was based on an agreement entered into between the proponents on June 14, 1996.

#### **Participating Financial Institutions**

As of June 30, 1996, First Community, a state bank, had total deposits of \$39 million and operated two offices. On the same date, First National had total deposits of \$142 million and operated three offices. First National is 99% owned and controlled by First National Corporation of Ardmore, Inc., a one bank holding company.

#### **Competitive Analysis**

The relevant geographic market for this proposal is Carter County, Oklahoma, where both banks compete and First Community derives the bulk of its deposits. Within this market, seven commercial banks and two thrifts compete for approximately \$575 million in deposits. First Community is the eighth largest depository with approximately seven percent of the market's total deposits. First National, which currently ranks second with 23 percent of the market's deposits, will become the largest depository as result of this transaction. While the proposed transaction would eliminate some direct competition in the relevant geographic market, any adverse competitive effects would be mitigated by the presence of a number of other banking alternatives. Accordingly, consummation of this transaction would not have a significantly adverse effect on competition in the relevant geographic markets.

The Bank Merger Act requires the OCC to consider "...the financial and managerial resources and future prospects of the existing and proposed institutions, and the convenience and needs of the community to be served." We find that the financial and managerial resources of First Community and First National do not raise concerns that would cause the application to be disapproved. The future prospects of the proponents, individually and combined, are considered favorable and the resulting bank is expected to meet the convenience and needs of the community to be served. No locations will be closed or services decreased as a result of the merger.

#### **Community Reinvestment Act**

A review of the record of this application and other information available to the OCC as a result of its regulatory responsibilities has revealed no evidence that the applicants' records of helping to meet the credit needs of their communities, including low- and moderate-income neighborhoods, is less than satisfactory.

### **Conclusion**

We have analyzed this proposal pursuant to the Bank Merger Act (12 U.S.C. 1828(c)) and/or 12 CFR 5.33, and find that it will not lessen significantly competition in any relevant market. Other factors considered in evaluating this proposal are satisfactory. Accordingly, the application is approved.

/s/

Michael K. Hughes  
Licensing Manager

Dated: September 10, 1996

Application Control Number 96-SW-02-0030.