



Comptroller of the Currency
Administrator of National Banks

Central District Office
One Financial Place, Suite 2700
440 South LaSalle Street
Chicago, Illinois 60605

Corporate Decision #97-102 December 1997

DECISION OF THE COMPTROLLER OF THE CURRENCY ON THE APPLICATION FOR LIBERTY NATIONAL BANK, ADA, OHIO TO PURCHASE CERTAIN ASSETS AND ASSUME CERTAIN LIABILITIES OF THE KENTON, OHIO BRANCH OF THE COMMERCIAL SAVINGS BANK, UPPER SANDUSKY, OHIO.

Introduction

On October 6, 1997, application was made to the Office of the Comptroller of the Currency (OCC) for prior authorization for Liberty National Bank, Ada, Ohio (hereinafter, "Liberty"), to purchase certain assets and assume certain liabilities of the Kenton, Ohio branch office of The Commercial Savings Bank, Upper Sandusky, Ohio (hereinafter, "CSB"). This application was based on an agreement finalized between the proponents on September 30, 1997.

Participating Financial Institutions

As of August 31, 1997, Liberty had total deposits of \$116 million and operated 4 offices. On the same date, the Kenton, Ohio branch office of CSB had total deposits of \$12 million. Liberty is a wholly owned subsidiary of Liberty Bancshares, Inc., a one-bank holding company. CSB, with assets of \$181 million, is a wholly-owned subsidiary of Commercial Banc Shares, Inc., a one-bank holding company.

Competitive Analysis

The relevant geographic market for this proposal is the area including and surrounding the community of Kenton, Ohio, where both banks compete and where the Kenton branch of CSB derives the bulk of its deposits. Within this market, six banks and two thrifts compete for deposits of approximately \$215 million. Liberty is the second largest depository institution in the market with approximately twenty-one percent of the total deposits. The branch to be acquired ranks sixth in the market with approximately five percent of the deposits. As a result of this transaction, Liberty would remain the second largest depository institution with approximately twenty-six percent of the market's deposits. While the proposed transaction would eliminate some direct competition in the relevant geographic market, any adverse effects would be

mitigated by the presence of a number of other banking alternatives including two of the largest banks in the country. Therefore, consummation of this proposal would not have a significantly adverse effect on competition in the relevant geographic market.

Banking Factors

The Bank Merger Act requires this Office to consider "...the financial and managerial resources and the 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 Liberty 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.

Community Reinvestment Act

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

Conclusion

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

_____/s/
David J. Rogers
National Bank Examiner

Dated: December 1, 1997
Control Number: 97-CE-02-0075