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Comptroller of the Currency  
Administrator of National Banks

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Washington, DC 20219

**Corporate Decision #97-63**  
**August 1997**

July 1, 1997

Mr. John P. Dulin, Jr.  
Maynard, Cooper & Gale, P.C.  
1901 Sixth Avenue North  
2400 AmSouth/Harbert Plaza  
Birmingham, Alabama 35203

Re: Applications by First Bank of Baldwin County, Robertsdale, Alabama, to convert to a national bank, and to relocate its main office to Cantonment, Florida  
Application Control Numbers: 97-SE-01-0014 and 97-SE-07-0020

Dear Mr. Dulin:

The Office of the Comptroller of the Currency (OCC) has reviewed the April 23, 1997 request by First Bank of Baldwin County, Robertsdale, Alabama, to convert to a national bank. After a thorough review of all information available, we found that the bank's request meets the requirements for preliminary approval to convert to a national banking association as follows:

Title: Citizens' and People's Bank, National Association

Location: 22516 Milwaukee Street  
Robertsdale, Baldwin County, Alabama

The OCC has also approved the request by Citizens' and Peoples Bank, N.A., to relocate the main office from 22516 Milwaukee Street, Robertsdale, Baldwin County, Alabama, to 400 Highway 29 North, Cantonment, Escambia County, Florida, with no branch retention in Alabama. This main office relocation is legally authorized under 12 U.S.C. § 30. The plain language of Section 30 clearly permits a national bank to relocate its main office to any location within 30 miles of the city in which the main office is located. Judicial decisions have consistently upheld the authority of national banks to relocate their main office across state lines where no branches are retained in the state of the former main office. See Synovus Financial Corporation v. Board of Governors of the Federal Reserve System, 952 F.2d 426, 428 & n.1, 435 (D.C. Cir. 1991); McEnteer v. Clarke, 644 F.Supp. 290, 292 (E.D. Pa. 1986). Moreover, the recent interstate branching law did not alter the authority of national banks to relocate their main offices across state lines, but only the scope of their power to

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retain branches in the state from which the bank was relocating. See Riegle-Neal Interstate Banking and Branching Efficiency Act of 1994, Pub. L. No. 103-328, 108 Stat. 2338, § 102(b) (adding new sections 12 U.S.C. §§ 30(c) & 36(e)(2)).

These approvals are granted based upon a thorough review of all information available, including representations and commitments made in the applications, in subsequent correspondence, and by you, the bank's representative.

Prior to or as of the date of the conversion:

1. The directors must own qualifying shares prior to conversion to a national banking association in conformance with 12 U.S.C. § 72 and 12 CFR 7.2005.
2. The institution must apply for membership in the Federal Reserve Bank in accordance with 12 CFR 209, if applicable.
3. The institution must purchase adequate fidelity bond coverage in accordance with 12 CFR 7.2013, which list four factors the directors should consider to determine adequacy.
4. If a director, officer, employee or principal shareholder of the bank (including an entity in which such person owns an interest of 10% or more) is involved in the sale of credit life insurance to loan customers, the bank should ensure compliance with 12 CFR 2, which among other things, prohibits a covered person from retaining commissions or other income from the sale of credit life insurance connected with any loan made by the bank.
5. The board of directors must adopt and have in place policies, practices, and procedures to ensure the safe and sound operation of the bank. The board also must review those policies, practices, and procedures continually and ensure bank compliance with them. The minimum policies and procedures applicable to a national bank are enclosed.
6. Before converting to a national bank, the converting institution must obtain any other required regulatory approvals.

Upon completion of the above procedures, please submit to the Southeastern District Office a letter certifying that you have completed all steps required to convert to a national banking association. Your notification should include the following documents as attachments if they have not already been submitted: A Secretary's Certificate certifying shareholder approval of the proposed conversion; Articles of Association; Bylaws; Organization Certificate properly signed and executed; Oath(s) of directors; List of directors; and Certification that you have

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applied for membership in the Federal Reserve System in accordance with 12 CFR 209.

When the institution has satisfactorily completed all of the above steps, the OCC will issue a letter officially authorizing the institution to commence business as a national banking association. At that time, you will receive the charter certificate and trust permit.

The OCC will send to you under separate cover an appropriate set of OCC handbooks, manuals, issuances, and selected other publications.

If the conversion is not consummated within six months from the date of the decision, the preliminary approval will be withdrawn, unless the OCC grants an extension of the time period. Similarly, the main office relocation must be completed within 18 months.

If you have any questions, please contact me at (202) 874-5060 or Corporate Analyst Louis Gittleman in our Southeastern District Office at (404) 588-4525.

Sincerely,

/s/

John W. Graetz  
Senior Bank Structure Analyst  
Bank Organization & Structure

Enclosure: Minimum Policies and Procedures