



Comptroller of the Currency
Administrator of National Banks

Washington, DC 20219

Corporate Decision #2001-07
May 2001

April 2, 2001

Mr. Craig Turner
President
Exchange National Bank
P.O. Box 6309
Moore, Oklahoma 73153

Re: Applications by Exchange National Bank, Moore, Oklahoma (Bank) to establish a branch at 517 North Telephone Road, Moore, Oklahoma, and two operating subsidiaries to be named, ENB Real Estate Company (ENB Real Estate), and ENB Finance Company (ENB Finance), both in Moore, Oklahoma.

Application Control Numbers: 2000-SW-08-0029, 2000-SW-05-0163

Dear Mr. Turner:

On April 2, 2001, the Office of the Comptroller of the Currency (OCC) approved the referenced applications to establish a branch at 517 North Telephone Road, Moore, Oklahoma, to establish ENB Real Estate, to own and operate bank premises as real estate, and ENB Finance, to engage in lending.

The approvals are granted based on a thorough review of all information available, including the representations and commitments made in the applications and by the bank's representatives. Specifically, the applications represent that ENB Real Estate will own and operate a small retail office center at 517 North Telephone Road, 30 percent of which the branch and both operating subsidiaries will occupy. You represented that ENB Finance will not commence business until after the branch is authorized to open. You further represent that 25 percent of the ENB Finances lending activity will consist of subprime lending, which approximates 3 percent of the Bank's loan portfolio. You also represent that ENB Finance will not purchase subprime loans.

Management is reminded that the Bank and ENB Finance must conduct their subprime lending activities in accordance with the guidance provided in OCC Bulletin 99-10, March 5, 1999;

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OCC Bulletin 99-15, April 5, 1999; OCC Bulletin 2001-6, January 13, 2001, and OCC Advisory Letter 2000-7, July 25, 2000.

Before the OCC will authorize the opening of the branch, the OCC must review and approve Exchange National Bank's subprime lending policy and procedures. Those policies and procedures should specifically address the following:

- Underwriting criteria that distinguish subprime borrowers and borrowers eligible for lower-priced credits under the bank's credit program, including information on rates, credit scores and loan-to-value ratios.
- Guidance to loan officers directing that if any credit applicant to ENB Finance Company qualifies for lower-priced credit, offered by the Bank or by ENB Finance, the Bank or ENB Finance shall offer the applicant the option to be considered for credit at the better pricing.

Please notify the Southwestern District Office at least ten (10) days in advance of your projected opening date for the branch and provide copies of applicable policies and procedures regarding the Bank's proposed subprime lending activity.

If you have any questions, please contact Senior Licensing Analyst Brenda McNeese in the Southwestern District Office at (214) 720-7052, or me at (202) 874-5060.

Sincerely,

-signed-

Maria G. Arevalo
NBE/Senior Licensing Analyst
Licensing Operations