



Comptroller of the Currency
Administrator of National Banks

Midwestern District Office
2345 Grand Blvd., Suite 700
Kansas City, Missouri 64108-2625

Corporate Decision #97-66 August 1997

DECISION OF THE COMPTROLLER OF THE CURRENCY ON THE APPLICATION TO PURCHASE THE ASSETS AND ASSUME THE LIABILITIES OF THE AUBURN BRANCH OF AMERICAN NATIONAL BANK, NEBRASKA CITY, NEBRASKA, BY THE FIRST NATIONAL BANK OF JOHNSON UNDER THE CHARTER AND TITLE OF THE FIRST NATIONAL BANK OF JOHNSON.

Introduction

On June 4, 1997 application was made to the Comptroller of the Currency for prior authorization to purchase the assets and assume the liabilities of the Auburn branch of American National Bank, Nebraska City, Nebraska 68410 (hereinafter "American National") by The First National Bank of Johnson, Johnson, Nebraska 68378 (hereinafter "First National") under the charter and title of The First National Bank of Johnson. This application was based on an agreement entered into between the proponents on May 12, 1997.

As of March 31, 1997 the one office of American National subject to the purchase and assumption agreement had total deposits of \$5.5 million. On the same date, First National had total deposits of \$33.2 million and operated one office. First National is 100 percent owned and controlled by First National Johnson Bancshares, Inc., a one-bank holding company.

Competitive Analysis

The relevant geographic market for this proposal is Nemaha County, Nebraska. This is an area with a population of less than 8,000 persons. The OCC considers an area with such a small population to be economically insignificant from a competitive standpoint. (See Decision of the Comptroller of the Currency on the application to merge The National Bank and Trust Company of Norwich, Norwich, New York, with National Bank of Oxford, Oxford, New York, dated April 8, 1983). Therefore, because the market is not recognized as being economically significant, any anticompetitive effects resulting from the transaction are considered *de minimis*.

The Department of Justice has also reviewed the proposal and advised the OCC that consummation of the proposal would not have any significantly adverse competitive effects in the relevant banking market.

Banking Factors

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 National and American 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. All branches will remain open and no products or services will be discontinued as a result of the transaction. Therefore, 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 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/
Ellen Tanner Shepherd
Licensing Manager

Dated: July 9, 1997

ACN #97 MW 02 0045