



Comptroller of the Currency
Administrator of National Banks

Washington, DC 20219

November 9, 1997

**Corporate Decision #97-99
December 1997**

Ms. Janet M. Varley
Senior Attorney
Mercantile Bancorporation, Inc.
P.O. Box 524
St. Louis, Missouri 63166

- Re: 1) Application by Roosevelt Bank, Chesterfield, Missouri to convert to a national banking association with the title of Roosevelt Bank National Association and with a request to exercise fiduciary powers
Application Control Numbers: 97-MW-01-032, and 97-MW-12-177
- 2) Application by Roosevelt Bank National Association, Chesterfield, Missouri (Roosevelt) to merge with Mercantile Bank National Association, Hartford, Illinois (Mercantile) under the charter of Roosevelt Bank National Association, with the title of Mercantile Bank National Association, with its head office in Hartford, Illinois. Also, a request for Mercantile Bank National Association, the resulting bank, to reduce its capital surplus account by \$49 million immediately following the merger.
Application Control Number: 97-MW-02-073

Dear Ms. Varley:

This is to inform you that the Office of the Comptroller of the Currency ("OCC") today approved the above-described applications. These approvals are granted based on a thorough review of all information available to the OCC, including commitments and representations made in the applications, the merger agreement and those of the banks' representatives.

Conversion

Roosevelt Bank's conversion to a national bank is permissible under 12 U.S.C. 35 and the retention of branches is authorized by 12 U.S.C. 36(b)(1). The OCC previously approved a similar application where an interstate bank converted into a national bank and retained branches. *See the OCC's decision on the Application of Republic Bank for Savings, New York, New York to Convert into a National Banking Association (OCC Corporate Decision No. 95-32, July 25, 1995).*

Therefore, we find that your request meets the requirements for approval to convert to a national banking association pursuant to 12 U.S.C. 35 and 12 C.F.R. 5.24 as follows:

Title: Roosevelt Bank National Association

Location: 900 Roosevelt Parkway
Chesterfield, Missouri

This approval is based in part upon the institution's representation that, prior to conversion, the capital structure will be realigned to comply with the capital requirements of 12 U.S.C. 52.

The OCC approves the bank's plans to retain two subsidiaries that own development real estate subject to litigation, Roosevelt Texas Holdings, Inc. and Fortune Homes Inc., and the property located in the 141 Executive Center in St. Louis County. The approval is based on the institution's representation that it will use its best efforts to sell the properties prior to December 2, 1998, the expiration of the two year period during which a bank holding company may own real property.

The OCC also has approved your proposal to conduct fiduciary powers pursuant to 12 U.S.C. 92a. This approval constitutes a permit to conduct the fiduciary powers requested in your application.

Prior to or as of the date of the conversion:

1. Directors must own qualifying shares in conformance with 12 U.S.C. 72 and 12 C.F.R. 7.2005.
2. The institution must apply for membership in the Federal Reserve Bank in accordance with 12 C.F.R. 209, if applicable.
3. Roosevelt Bank must obtain any other required regulatory approvals.

Please submit to the Midwestern 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; Certification that Bylaws have been adopted; Organization Certificate properly signed and executed; Oath(s) of directors; and List of directors. 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 branch authorizations.

Merger

The merger of Roosevelt Bank National Association and Mercantile Bank National Association is legally authorized as an interstate merger transaction under the Riegle-Neal Act, 12 U.S.C. §§ 215a-1 and 1831u(a), and the resulting bank is authorized to retain and operate the offices of both banks under 12 U.S.C. §§ 36(d) and 1831u(d)(1). The OCC previously approved a similar application where an Illinois bank merged into a Missouri bank. *See the OCC's decision on the Application to Merge Mercantile Bank of Illinois National Association, Hartford, Illinois, and Mark Twain Bank, Ladue, Missouri, With and Into Mercantile Bank National Association, St. Louis, Missouri (OCC Corporate Decision No. 97-51, June 20, 1997).*

Please be advised that the OCC also authorizes the resulting bank, should the merger occur between Call Report dates, to recalculate its legal lending limit. The new lending limit should be calculated by using data from the last Call Report of the individual banks filed prior to consummating the merger, as adjusted for the merger. The resulting bank will then file a new Call Report and begin calculating its legal lending limit according to 12 C.F.R. 32.4(a) at the end of the quarter following consummation of the merger.

The Midwestern District Office must be advised in advance of the desired effective dates for the transaction so that the OCC may issue the necessary certification. The effective date of the transaction must be on or after the date of this letter. We will not issue a letter certifying consummation of the transaction until we receive:

1. A Secretary's Certificate for each applicant institution certifying that a majority of the board of directors agreed to the proposed merger.
2. Executed merger agreement with Articles of Association for the resulting bank attached.
3. A Secretary's Certificate from each institution, certifying that the shareholder approvals have been obtained.

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If the transactions are not consummated within six months, the approvals will automatically terminate unless the OCC grants an extension.

If you have any questions, please contact National Bank Examiner Jill K. Kennard in our Midwestern District Office at (816) 556-1860 or me at (202) 874-5060.

Sincerely,

/s/

Nancy Cody
National Bank Examiner
Bank Organization and Structure