



Comptroller of the Currency
Administrator of National Banks

Washington, DC 20219

Conditional Approval #325
September 1999

September 2, 1999

Clyde V. Crutchmer, Esquire
McKinney & Stringer, P.C.
101 North Broadway, Suite 800
Oklahoma City, Oklahoma 73102

Re: Application filed by National Bank of Commerce to establish a full service branch office
Application Control Number: 1999-SW-05-0123

Dear Mr. Crutchmer:

This is to inform you that the Office of the Comptroller of the Currency (OCC) has conditionally approved your application to establish a new branch at the following location:

1203 West Main Street, Duncan, Oklahoma 73533

This approval is subject to the condition that National Bank of Commerce remain in compliance with the capital plan received on 8/2/99 and as approved by the OCC through the year 2000.

This conditional approval is granted based on a thorough review of all information available, including the representations and commitments made in the application, and by the Bank's representatives, and is consistent with 12 U.S.C. 36(c)(2), 12 C.F.R. 5.13(a)(1) and 5.30, and state law as made applicable to national banks by section 36(c)(2).

Under 12 U.S.C. 36(c)(2), the OCC may approve the establishment of new intrastate branches by national banks in a state to the extent that state branching law permits "State banks" to branch. This proposed branch is permissible under that section and state statutory law governing the branching authority of Oklahoma-chartered savings and loan associations. In issuing this approval, the OCC has determined that Oklahoma-chartered state savings and loan associations are corporations or institutions "carrying on the banking business under the authority of State laws" and, thus, are "State banks" for purposes of section 36(c)(2) and (l); and that Oklahoma-chartered savings and loan associations are authorized by Oklahoma branching law to establish intrastate branches statewide. As a result, we have determined that national banks also have authority to establish intrastate branches in Oklahoma statewide. These determinations and conclusions are consistent with Decision of the Comptroller of the

Currency on Applications by Four National Banks in Oklahoma to Establish Branches Based on 12 U.S.C. 36 and the Branching Authority of Savings and Loan Associations Chartered by the State of Oklahoma (July 28, 1999) (the "OCC July 28 Oklahoma Decision"). *See also* Decision of the Comptroller of the Currency on Applications by Four National Banks in Oklahoma to Establish Branches Based on 12 U.S.C. 36 and the Branching Authority of Savings and Loan Associations Chartered by the State of Oklahoma (September 2, 1999) (the OCC September 2 Oklahoma Decision). This approval incorporates and relies upon the facts, the legal analysis and the conclusions set forth in these Decision Statements including the discussion and response to protests filed in connection with the applications addressed in those Decision Statements.¹ Attached are copies of these Decision Statements.

We also have determined that this action is otherwise consistent with the Bank=s record of compliance with the Community Reinvestment Act, 12 U.S.C. 2901-2907 and 12 C.F.R. Part 25; and with OCC policies and principles governing approval of branch applications as set forth in 12 C.F.R. 5.30(e).

This conditional approval is a condition imposed in writing by the agency in connection with the granting of any application or other request@ within the meaning of 12 U.S.C. 1818. As such, the condition is enforceable under 12 U.S.C. 1818.

This conditional approval is also subject to the following requirements:

1. If the branch is not in operation within 18 months from the approval date, the approval will terminate automatically unless the OCC has granted an extension;
2. The Bank must advise the Southwestern District Office in advance of the desired opening date so that the OCC may issue the necessary authorization letter.

¹ The application by National Bank of Commerce was protested on several grounds by Legacy Bank, a state-chartered bank with a branch in Duncan. This protest is identical to the protest filed by Legacy Bank in connection with the application by InterBank, National Association, Elk City, Oklahoma, to establish a branch in Duncan. Legacy Bank also requested an oral presentation hearing. This branch was approved in the OCC's July 28 Oklahoma Decision which discussed and responded to the grounds set forth in the Legacy protest. *See* OCC July 28 Oklahoma Decision at pages 14-15 and footnote 59. *See also* OCC September 10 Oklahoma Decision at footnotes 67 and 72. National Bank of Commerce was provided an opportunity to respond to the protest, but chose not to. Legacy Bank was denied its hearing request, by letter dated July 15, 1999, after finding that the parties would not be prejudiced significantly by providing the case in written form.

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All correspondence regarding this application should reference the application control number. If you have any questions, please contact me at 202-874-5060 or Brenda McNeese, Senior Corporate Analyst, in the Southwestern District, at 214-720-7052.

Sincerely,

/s/

Beverly L. Evans
NBE/Senior Licensing Analyst
Washington-Directed Licensing

Attachments

Cc: National Bank of Commerce