

Comptroller of the Currency
Administrator of National Banks

Bank Organization and Structure
Southwestern District
1600 Lincoln Plaza
500 North Akard
Dallas, Texas 75201-3342

Conditional Approval #330
October 1999

September 30, 1999

Mr. Robert Sylvester, Jr.
President/CEO
First National Bank of Whitewright
P.O. Box 1480
Whitewright, TX 75091-1480

Re: Domestic Branch Application, Charter No. 4692
Control Number: 1999-SW-05-0162

Dear Mr. Sylvester:

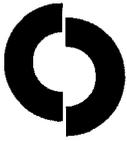
After careful consideration, the Comptroller of the Currency (OCC) has conditionally approved your proposal to establish a denovo branch at 700 Highway 120 East, Pottsboro, Grayson County, Texas 75076.

In light of the existing level of capitalization and the quality of earnings, the following conditions have been developed to ensure First National Bank of Whitewright is supported by a capital base sufficient to sustain ongoing bank operations.

- C Prior to opening the branch, the bank's leverage capital ratio shall achieve a minimum ratio of 7.0%.
- C Subsequent to the opening of the branch, the bank's leverage ratio shall be maintained at a minimum of 7.0% until such time as the OCC terminates this condition.

This conditional approval is based on a thorough review of all information available, including the representations and commitments made in the application and by the bank's representatives. The conditions of this approval are conditions "imposed in writing" by the agency in connection with the granting of any application or other request" within the meaning of 12 USC

1818. As such, the conditions are enforceable under 12 USC 1818.



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If the branch is not opened within eighteen months from this date, the conditional approval shall automatically terminate unless the OCC has granted an extension of the time period. The district office must be advised in writing at least 10 days in advance of the effective date desired for the branch opening so that the OCC may issue the necessary approval letter authorizing the branch. Documentation substantiating the bank's compliance with the condition discussed previously should accompany your request for authorization of the branch's opening.

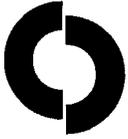
This letter is not intended to authorize approval of the official branch name. As a result of the Garn-St. Germain Depository Institutions Act of 1982, the OCC is no longer responsible for the approval of national bank or branch names. In selecting a branch name, the Board of Directors should follow the guidelines outlined in the May 1, 1998 *Interagency Statement: Branch Names*, which says, in part, “. . . an insured depository institution that intends to use a different name for a branch or other facility should take reasonable steps to ensure that customers will not become confused and believe that its facilities are separate institutions or that deposits in the different facilities are separately insured.”

If the branch is closed, a 90-day advance notice of proposed branch closing must be submitted to the OCC pursuant to 12 USC 1831r-1. Once the branch is closed, this authorization is no longer valid.

A separate letter is enclosed requesting your feedback on how we handled the application. We would appreciate your response so we may improve our service.

Questions or comments regarding this conditional approval should be addressed to me or Applications Examiner Wanda Johnson at (214) 720-7052. All correspondence and documents should reference the above control number.

Yours truly,



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/s/

Michael K. Hughes
Licensing Manager

Enclosure