

Comptroller of the Currency Administrator of National Banks

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

Corporate Decision #98-08 February 1998

DECISION OF THE COMPTROLLER OF THE CURRENCY ON THE APPLICATION TO MERGE BANK OF MIAMI, MIAMI, OKLAHOMA INTO THE FIRST NATIONAL BANK AND TRUST COMPANY OF MIAMI, MIAMI, OKLAHOMA, UNDER THE CHARTER AND TITLE OF THE FIRST NATIONAL BANK AND TRUST COMPANY OF MIAMI.

Introduction

On December 15, 1997, application was made to the Comptroller of the Currency for prior authorization to merge Bank of Miami, Miami, Oklahoma 74355 (hereinafter "Bank of Miami") into The First National Bank and Trust Company of Miami, Miami, Oklahoma 74355 (hereinafter "First National") under the charter and the title of First National. This application was based on an agreement entered into between the proponents on December 8, 1997.

Participating Financial Institutions

As of September 30, 1997, Bank of Miami, a state member bank, had total deposits of \$18.1 million and operated one office. On the same date, First National had total deposits of \$65.9 million and operated two offices. First National is 97 percent owned and controlled by First Miami Bancshares, Inc., a one-bank holding company.

Competitive Analysis

There relevant geographic market for this proposal is the Federal Reserve market of Ottawa County, including the town of Welch, in Craig County. The relevant geographic market consists of the area surrounding the bank to be acquired. This is the area where the effect of this transaction on competition would be direct and immediate.

Within the relevant geographic market, eight banks and two thrift institutions compete for approximately \$320 million in deposits. First National ranks second with approximately 22 percent of the market's total deposits. Bank of Miami ranks sixth with approximately 6 percent of the market's total deposits. Upon consummation of the proposed transaction, First National Bank would become the largest depository institution in the market with approximately 28 percent of the market's

deposits. While the proposed transaction would eliminate some direct competition in the relevant geographic market, any adverse competitive effects would be mitigated by the presence of a number of other banking alternatives, including a subsidiary of one of the largest banking companies in the country.

Accordingly, consummation of this transaction would not have a significantly adverse effect on competition in the relevant geographic 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 Bank of Miami do not raise concerns that would cause the application to be disapproved. The future prospects of the proponents, individually and combined, are considered favorable and the resulting bank is expected to meet the convenience and needs of the community to be served. No branches will be closed, and customers of Bank of Miami will be offered the expanded products of services of First National.

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 USC 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/
Jill K. Kennard
Acting Licensing Manager

Dated: 1/27/98

Control Number: 97-MW-02-0087