

Comptroller of the Currency Administrator of National Banks

Southeastern District Marquis One Tower, Suite 600 245 Peachtree Center Ave., N.E. Atlanta, Georgia 30303

Corporate Decision #99-19 August 1999

DECISION OF THE COMPTROLLER OF THE CURRENCY ON THE APPLICATION OF FIRST BANK AND TRUST, GROVES, TEXAS, TO MERGE WITH/INTO SOUTHTRUST BANK, NATIONAL ASSOCIATION, BIRMINGHAM, ALABAMA.

DECISION

Introduction

On June 16, 1999, application was made to the Office of the Comptroller of the Currency ("OCC") for prior authorization for First Bank and Trust, Groves, Texas (hereinafter, "FBT"), to merge with/into SouthTrust Bank, National Association, Birmingham, Alabama (hereinafter, "ST"). This application was based on an agreement finalized between the proponents on June 8, 1999.

The Financial Institutions Involved

As of March 31, 1999, FBT, a state-chartered bank, had total deposits of \$474 million. FBT operated 11 offices. On the same date, ST had total deposits of \$25 billion and operated 613 offices. ST is 100% owned and controlled by SouthTrust Corporation, Birmingham, Alabama, a multi-bank holding company.

Competitive Analysis

The OCC has reviewed the competitive effects of the proposal by using its standard procedures for determining whether a merger clearly has minimal or no adverse competitive effects. The OCC finds that the proposal satisfies its criteria for mergers that clearly have minimal or no adverse competitive effects.

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 convenience and needs of the community to be served." We find that the financial and managerial resources of ST and FBT 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. ST will provide the customers with competitive rates and generally foster competition in the area. In addition, the merger should provide customers with access to a wider array of services and enhanced technology. Therefore, it appears that the transaction will have no adverse effects on the convenience and needs of the community. There are no branches being closed.

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, revealed no evidence that the applicants' record 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 find that it will not significantly lessen competition in any relevant market. Other factors considered in evaluating this proposal are satisfactory. Accordingly, the application is approved.

Acting Licensing Manager

ACN# 99 SE 02 0038