



**Comptroller of the Currency
Administrator of National Banks**

Bank Organization and Structure, 3-8
250 E Street, S.W.
Washington, DC 20219

May 24, 1999

**CRA Decision #95
June 1999**
Control Nr. 99-ML-02-0011

Mr. Bruce Rigelman
Legal Department
Bank One Corporation
100 East Broad Street, 18th Floor
Columbus, Ohio 43215

Dear Mr. Rigelman:

This is to inform you that on this date the Office of the Comptroller of the Currency (“OCC”) approved the application to merge the following banks into and under the charter and title of Bank One, Indiana, National Association, Indianapolis, Indiana (“Bank One”):

NBD Bank, National Association, Indianapolis, Indiana
NBD Bank, Elkhart, Indiana

This approval is granted based on a thorough review of all information available, including commitments and representations made in the application, the merger agreement and those of the banks’ representatives.

As you know, we received a copy of a letter from a community-based organization in Gary, Indiana (named MergerWatch) that expressed concerns about various local aspects of Banc One Corporation’s merger with First Chicago NBD Corporation, approved by the Federal Reserve Board on September 14, 1998, and consummated on October 2, 1998. The subject merger of these two Indianapolis-based banks is part of the ongoing corporate reorganization resulting from the merger of the holding companies.

Issues raised by MergerWatch relevant to Community Reinvestment Act performance or criteria under the Bank Merger Act were Saturday hours at downtown Gary branches and the acceptance of utility payments at branches. OCC examiners followed up with the applicants on these matters. In summary, our investigation into the relevant issues raised by MergerWatch produced no information that would warrant attaching conditions to approval or denying this application.

We found that, as a result of this merger, Bank One intends to consolidate two downtown Gary branches that are within one block of each other; consolidate two other Gary branches that are also within one block of each other; and, consolidate an additional two Gary branches that are within four blocks of each other. Of the two downtown branches, the one closing presently has Saturday hours, while the one remaining open does not. Bank One advised us that, effective upon the consolidation of the two branches, the surviving branch will commence Saturday hours.

With respect to acceptance of utility payments, we found that Bank One and its affiliates generally terminated this service at branches approximately 18 months ago. NBD phased out this service at its branches over a six month period ending April 1, 1999. However, the banks offer customers an automatic payment service for utility bills, which will be continued after the merger.

We also note that, at its most recent CRA examination of Bank One as of April 19, 1995, the OCC rated the bank's performance as "Outstanding." Similarly, at its most recent CRA examination of NBD as of March 11, 1996, OCC rated that bank's performance as "Outstanding". The OCC expects to commence a CRA examination of the combined bank's performance later this calendar year. Based on our review of the above matters, we found that consideration of the banks' CRA performance and the effect on the convenience and needs of the community to be served warrant approval of the application.

Based on representations made by the applicant, Bank One will restructure the activities of Roney Insurance, Inc., an insurance agency operating subsidiary, to conform with 12 U.S.C. 92 or divest that operating subsidiary within two years of its acquisition. Additionally, as represented Bank One will sell, redeploy or discontinue the travel agency business as soon as reasonably practicable or no longer than two years from the date of consummation.

This Office must be advised in writing in advance of the desired effective date for the transaction so that we may issue the necessary certification letter. The effective date may be on or after the date of this letter. If the transaction is not consummated within one year from this date, our preliminary approval letter will automatically terminate unless this Office has granted an extension.

We will not issue a letter certifying consummation of the transaction until this Office has been furnished with the following documents executed in the original:

- a) merger agreement with articles of association for the resulting bank,
- b) a secretary's certificate from each institution evidencing shareholder approval, and,
- c) a secretary's certificate for each applicant institution certifying that a majority of the board of directors has agreed to the proposed merger.

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 for the individual banks filed prior to consummating the merger, as adjusted for the combination. 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.

A separate letter is enclosed requesting your opinion on how we handled your application. We would appreciate your response so we may improve our service. Please direct all correspondence and documents concerning this transaction to me at the above address. Please reference the application control number in all correspondence. In the event of questions, please contact Senior Corporate Analyst Cindy L. Hausch-Booth at (202) 874-5060.

Sincerely,

/s/

Richard T. Erb
Licensing Manager