



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

1114 Avenue of the Americas, Suite 3900
New York, NY 10036-7780

Corporate Decision #99-48 January 2000

Decision

DECISION OF THE COMPTROLLER OF THE CURRENCY ON THE APPLICATION BY WHEELING NATIONAL BANK, ST. CLAIRSVILLE, OHIO, TO PURCHASE CERTAIN ASSETS AND TO ASSUME CERTAIN LIABILITIES OF THE BARNESVILLE BRANCH OF SKY BANK, SALINEVILLE, OHIO.

Introduction

On November 8, 1999, application was made to the Comptroller of the Currency by Wheeling National Bank, St. Clairsville, Ohio, (“hereafter Wheeling NB”) for prior authorization to purchase certain assets and to assume certain liabilities of the Barnesville, Ohio branch of Sky Bank, Salineville, Ohio. This application was based on a Branch Purchase and Assumption Agreement entered into between the proponents on August 31, 1999.

Participating Financial Institutions

As of September 30, 1999, the Barnesville branch had total deposits of \$11.2 million. On the same date, Wheeling NB had total deposits of \$433.3 million and operated 33 offices. Acquiring bank is 100% owned and controlled by American Bancorporation, a one-bank holding company.

Competitive Analysis

The relevant geographic market for this proposal is the Barnesville banking market as defined by the Federal Reserve Bank of Cleveland. The Barnesville banking market is comprised of the western portion of Belmont County that is not a part of the Wheeling banking market as defined by the Federal Reserve Bank of Cleveland. This is the area where competition between Wheeling NB and Sky Bank is direct and immediate. Within this market, three commercial banks and two thrifts compete for approximately \$185 million in deposits. Sky Bank is the fourth largest depository institution with approximately six percent of the market’s total deposits. Wheeling NB ranks second with approximately twenty-four percent of the

market's deposits. Upon consummation of this transaction, Wheeling NB will remain the second largest depository institution with approximately thirty 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 three other banking alternatives in the relevant market. In addition, numerous alternative banking offices are located in St. Clairsville, 15 miles from Barnesville. Therefore, consummation of this proposal 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 Wheeling NB and Sky Bank do not raise concerns that would cause the application to be disapproved. The future prospects of the proponents, individually and combined, are considered favorable. The branch to be acquired will be closed and consolidated with Wheeling NB's existing Barnesville branch; however, the two offices are in close proximity and the bank will continue to offer a full range of banking products and services to residents of the community. Accordingly, the transaction will not have an adverse effect on the needs and convenience of the public.

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 U.S.C. 1828(c)) 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/
Michael G. Tiscia
Licensing Manager

12-20-99
Date

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