

MERGERS— OCTOBER 1 TO DECEMBER 31, 2002

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Most transactions in this section do not have accompanying decisions. **In those cases with a decision, the OCC reviewed the competitive effects of the proposed transaction** by using its standard procedures for determining whether the transaction has minimal or no adverse competitive effects. The OCC found the proposals satisfied its criteria for transactions that clearly had no or minimal adverse competitive effects. In addition, the U.S. Attorney General either filed no report on the proposed transaction or found that the proposal would not have a significantly adverse effect on competition.

Nonaffiliated mergers (mergers consummated involving two or more nonaffiliated operating banks), from October 1 to December 31, 2002

Title and location (charter number)	Total assets
Arizona	
National Bank of Arizona, Tucson (021383) _____	2,654,352,000
and Frontier State Bank, Show Low, Arizona _____	100,639,000
merged on November 25, 2002, under the title of National Bank of Arizona, Tucson (021383) _____	2,754,991,000

Comptroller’s Decision

Introduction

On September 13, 2002, application was made to the OCC for prior authorization to merge Frontier State Bank, Show Low, Arizona, with and into National Bank of Arizona, Tucson, Arizona. This application was based on an agreement entered into between the proponents and Zions Bancorporation, Salt Lake City, Utah on August 16, 2002.

Participating Financial Institutions

As of June 30, 2002, National Bank of Arizona (NBA) had total deposits of \$2.2 billion and operated 52 offices. On the same date, Frontier State Bank (FSB) had total deposits of \$86 million and operated six offices. NBA is 100 percent owned and controlled by Zions Bancorporation, a multi-bank holding company.

Competitive Analysis

The relevant geographic markets for this proposal include the Cottonwood, Arizona Banking Market (as defined by the Federal Reserve Bank of San Francisco) and Apache County, Arizona.¹ These are the areas where competition between NBA and FSB is direct and immediate.

¹ While FSB operates four branches in Navajo County, NBA does not operate any branches in Navajo County. Accordingly, this merger will have no adverse competitive effect in Navajo County.

Cottonwood Banking Market

The OCC reviewed the competitive effects of this transaction in the Cottonwood Banking Market located in Yavapai County by using its standard procedures for determining whether a business combination clearly has minimal or no adverse competitive effects. The OCC finds the transaction satisfies its criteria for a merger that clearly has no or minimal adverse competitive effects.

Apache County

Within Apache County, five banks currently compete for \$113 million in deposits. NBA (with \$16.5 million in deposits) and FSB (with \$12.4 million in deposits) rank third and fourth in county deposits, respectively, and will rank third in county deposits (with a 25.5 percent market share of deposits) after consummation of the merger. Wells Fargo Bank Arizona, National Association ranks first, with \$42 million in deposits or a 37 percent market share, and Community First National Bank ranks second, with \$34 million in deposits or a 30 percent market. Bank of America, National Association operates one branch in Apache County with \$8 million in deposits or a 7 percent market share. While the proposed transaction would eliminate some direct competition in this market, any adverse competitive effects would be mitigated by the presence of other banking alternatives. Accordingly, consummation of this proposal would not have a significantly adverse effect on competition in Apache County.

Banking Factors and USA Patriot Act

The Bank Merger Act requires the OCC to consider, “. . . the effectiveness of any insured depository institution involved in the proposed merger transaction in combating money-laundering activities, including in overseas branches.” We have considered this factor, determined no material weaknesses to preclude approval are present, and conclude that approval of this transaction is appropriate. We find that the financial and managerial resources of National Bank of Arizona and Frontier State 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, and the resulting bank is expected to meet the convenience and needs of the community to be served. All offices of both banks will continue to operate following consummation of the merger.

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 significantly lessen competition in any relevant market. Other factors considered in evaluating this proposal are satisfactory. **Accordingly, the application is approved subject to the following condition:**

The OCC grants conditional approval for National Bank of Arizona to retain a nonconforming asset presently held by Frontier State Bank following consummation, subject to the condition that National Bank of Arizona divest the asset or bring it into conformance with applicable laws and regulations. The bank must conform or divest the asset within two years following consummation of the merger, unless the OCC has determined the asset is permissible for a national bank to hold. The asset is more fully described in separate correspondence from the bank's counsel dated October 11, 2002.

The condition of this approval is a condition "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 condition is enforceable under 12 USC 1818.

James A. Bundy, November 8, 2002
Licensing Manager

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Nonaffiliated mergers (continued)

Title and location (charter number)	Total assets
California	
Pacific Western National Bank, Santa Monica (017423) _____	781,762,000
and Upland Bank, Upland, California _____	103,887,000
merged on August 22, 2002, under the title of Pacific Western National Bank, Santa Monica (017423) _____	871,497,000
Rancho Santa Fe National Bank, Rancho Santa Fe (017212) _____	404,164,000
and First National Bank, San Diego, California (017129) _____	649,131,000
merged on September 10, 2002, under the title of First National Bank, Rancho Santa Fe (017212) _____	1,132,133,000
Pacific Western National Bank, Santa Monica (017423) _____	781,727,000
and Marathon National Bank, Los Angeles, California (017915) _____	109,300,000
merged on August 23, 2002, under the title of Pacific Western National Bank, Santa Monica (017423) _____	891,027,000

MERGERS—OCTOBER 1 TO DECEMBER 31, 2002

Nonaffiliated mergers (continued)

Title and location (charter number)	Total assets
Union Bank of California, National Association, San Francisco (021541)	35,719,063,000
and Valencia Bank & Trust, Santa Clarita, California	258,654,000
merged on October 31, 2002, under the title of Union Bank of California, National Association, San Francisco (021541)	35,977,717,000
Connecticut	
Westport National Bank, Westport (023664)	80,225,000
and Middlesex Bank & Trust Company, Newton, Massachusetts	40,395,000
merged on July 01, 2002, under the title of Westport National Bank, Westport (023664)	119,945,000
Iowa	
American Bank and Trust Company, National Association, Davenport (024369)	313,078,000
and Kaneland Community Bank, Elburn, Illinois	20,013,000
merged on December 6, 2002, under the title of American Bank and Trust Company, National Association, Davenport (024369)	328,994,000
Kansas	
Sunflower Bank, National Association, Salina (004742)	879,124,000
and Bank of Monte Vista, Monte Vista, Colorado	68,923,000
merged on September 9, 2002, under the title of Sunflower Bank, National Association, Salina (004742)	939,690,000
Oklahoma	
Local Oklahoma Bank, National Association, Oklahoma City (023900)	2,783,603,000
and U.S. National Bank, Midwest City, Oklahoma (023440)	33,435,000
merged on November 5, 2002, under the title of Local Oklahoma Bank, National Association, Oklahoma City (023900)	2,817,038,000
Virginia	
First Community Bank, National Association, Bluefield (023892)	1,448,228,000
and Bank of Greenville, Greenville, West Virginia	30,703,000
merged on November 30, 2002, under the title of First Community Bank, National Association, Bluefield (023892)	1,476,535,000

MERGERS—OCTOBER 1 TO DECEMBER 31, 2002

Nonaffiliated mergers—thrift (mergers consummated involving nonaffiliated national banks and savings and loan associations) from October 1 to December 31, 2002

Title and location (charter number)	Total assets
Maine	
Banknorth, National Association, Portland (024096) _____	21,094,132,000
and Ipswich Savings Bank, Ipswich, Massachusetts _____	320,971,000
merged on July 26, 2002, under the title of Banknorth, National Association, Portland (024096) _____	21,448,031,000
Texas	
The First National Bank of Bastrop, Bastrop (004093) _____	208,082,000
and Community Bank of Central Texas, SSB, Smithville, Texas _____	36,243,000
merged on July 29, 2002, under the title of The First National Bank of Bastrop (004093) _____	208,082,000

MERGERS—OCTOBER 1 TO DECEMBER 31, 2002

Affiliated mergers (mergers consummated involving affiliated operating banks) from October 1 to December 31, 2002

Title and location (charter number)	Total assets
Arizona	
The Harris Bank National Association, Scottsdale (024380) _____	278,916,000
and Harris Washington Savings Bank (an Interim State Bank), Bellevue, Washington _____	1,000
merged on December 2, 2002, under the title of The Harris Bank National Association, Scottsdale (024380) _____	278,916,000
The Harris Bank National Association, Scottsdale (024380) _____	278,916,000
and Harris Bank Washington National Association, Seattle, Washington (024381) _____	3,840,000
merged on December 2, 2002, under the title of The Harris Bank National Association, Scottsdale (024380) _____	282,756,000
The Harris Bank National Association, Scottsdale (024380) _____	282,756,000
and Harris Bank California National Association, San Francisco, California (024382) _____	8,754,000
merged on December 2, 2002, under the title of The Harris Bank National Association, Scottsdale (024380) _____	291,510,000
Arkansas	
First National Bank, Paragould (010004) _____	294,571,000
and The Corning Bank, Corning, Arkansas _____	82,758,000
merged on November 16, 2002, under the title of First National Bank, Paragould (010004) _____	294,571,000
California	
First National Bank, Rancho Santa Fe (017212) _____	1,132,133,000
and Generations Trust Bank, National Association, Long Beach, California (023875) _____	3,086,000
merged on November 15, 2002, under the title of First National Bank, Rancho Santa Fe (017212) _____	1,135,219,000
Georgia	
Frontier National Bank, LaGrange (014553) _____	6,636,000
and Frontier National Bank, Sylacauga, Alabama (007484) _____	270,481,000
merged on December 16, 2002, under the title of Frontier National Bank, LaGrange (014553) _____	274,208,000
Illinois	
The First National Bank in Toledo, Toledo (013682) _____	150,308,000
and First State Bank of Newman, Newman, Illinois _____	23,300,000
merged on July 15, 2002, under the title of The First National Bank in Toledo, Toledo (013682) _____	173,608,000
Wells Fargo Bank Illinois, National Association, Galesburg (022636) _____	351,364,000
and Marquette Bank Monmouth, Monmouth, Illinois _____	84,726,000
and Marquette Bank Morrison, Morrison, Illinois _____	99,646,000
merged on July 13, 2002, under the title of Wells Fargo Bank Illinois, National Association, Galesburg (022636) _____	535,736,000

Affiliated mergers (continued)

Title and location (charter number)	Total assets
Bank One, National Association, Chicago (000008)	178,035,024,000
and Bank One, Colorado, National Association, Denver, Colorado (015184)	3,589,066,000
and Bank One, Indiana, National Association, Indianapolis, Indiana (013759)	12,386,042,000
and Bank One, Wisconsin, Milwaukee, Wisconsin	6,836,419,000
merged on August 22, 2002, under the title of Bank One, National Association, Chicago (000008)	192,007,104,000
Bank One, National Association, Chicago (000008)	200,424,016,000
and Bank One, Illinois, National Association, Springfield, Illinois (023237)	4,550,080,000
and American National Bank and Trust Company of Chicago, Chicago, Illinois (013216)	14,679,871,000
merged on November 8, 2002, under the title of Bank One, National Association, Chicago (000008)	211,316,506,000
The First National Bank in Staunton, Staunton (014310)	239,706,000
and Hamel State Bank, Hamel, Illinois	54,873,000
merged on September 21, 2002, under the title of The First National Bank in Staunton, Staunton (014310)	294,579,000
Minnesota	
Wells Fargo Bank Minnesota, National Association, Minneapolis (002006)	52,428,420,000
and Marquette Bank, National Association, Rogers, Minnesota (022831)	2,003,711,000
and Marquette Capital Bank, National Association, Wayzata, Minnesota (023153)	272,664,000
merged on July 13, 2002, under the title of Wells Fargo Bank Minnesota, National Association, Minneapolis (002006)	54,477,822,000
F&M Community Bank, National Association, Preston (024356)	47,349,000
and F & M Community Bank, National Association, Chatfield, Minnesota (024089)	8,217,000
merged on July 1, 2002, under the title of F&M Community Bank, National Association, Preston (024356)	55,566,000
TCF National Bank, Minneapolis (023253)	11,057,665,000
and TCF National Bank Colorado, Englewood, Colorado (023269)	123,378,000
merged on July 26, 2002, under the title of TCF National Bank, Minneapolis (023253)	11,157,641,000
Nebraska	
First National Bank, Sidney (018339)	37,322,000
and The American National Bank of Kimball, Kimball, Nebraska (013420)	45,195,000
merged on September 9, 2002, under the title of First National Bank, Sidney (018339)	82,517,000
Nevada	
Household Bank (SB), National Association, Las Vegas (022675)	3,344,755,000
and Household Bank (Nevada), National Association, Las Vegas, Nevada (018818)	1,904,809,000
merged on July 1, 2002, under the title of Household Bank (SB), National Association, Las Vegas (022675)	5,249,564,000

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Affiliated mergers (continued)

Title and location (charter number)	Total assets
Household Bank (SB), National Association, Las Vegas (022675) _____ and Beneficial National Bank USA, New Castle, Delaware (022474) _____ merged on July 1, 2002, under the title of Household Bank (SB), National Association, Las Vegas (022675)	4,034,081,000 78,248,000 4,112,329,000
New York	
The National Bank of Geneva, Geneva (012450) _____ and The Pavilion State Bank, Pavilion, New York _____ merged on September 20, 2002, under the title of The National Bank of Geneva, Geneva (012450)	572,175,000 97,494,000 669,669,000
North Carolina	
Wachovia Bank, National Association, Charlotte (000001) _____ and The First National Bank of Atlanta, New Castle, Delaware (021197) _____ merged on December 31, 2002, under the title of Wachovia Bank, National Association, Charlotte (000001)	301,945,000,000 179,333,000 302,124,333,000
Wachovia Bank, National Association, Charlotte (000001) _____ and OFFITBANK, New York, New York _____ merged on December 31, 2002, under the title of Wachovia Bank, National Association, Charlotte (000001)	302,347,297,000 116,744,000 302,464,041,000
Ohio	
Charter One Bank, National Association, Cleveland (024340) _____ and Charter Bank, Wyandotte, Michigan _____ merged on August 9, 2002, under the title of Charter One Bank, National Association, Cleveland (024340)	38,165,417,000 266,839,000 38,492,702,000
First National Bank of Southwestern Ohio, Hamilton (000056) _____ and Hebron Deposit Bank, Hebron, Kentucky _____ merged on July 19, 2002, under the title of First Financial Bank, National Association, Hamilton (000056)	1,343,438,000 102,794,000 1,446,232,000
Oklahoma	
Shamrock Bank, National Association, Coalgate (012529) _____ and First Bank of Apache, Apache, Oklahoma on September 6, 2002 _____ and Clayton State Bank, Clayton, Oklahoma on September 6, 2002 _____ and Bryan County National Bank, Caddo, Oklahoma (015106) on August 9, 2002 _____ merged on those respective dates under the title of Shamrock Bank, National Association, Coalgate (012529)	43,707,000 21,463,000 19,887,000 32,778,000 117,835,000
Pennsylvania	
First National Bank of Pennsylvania, Greenville (000249) _____ and Metropolitan National Bank, Youngstown, Ohio (023595) _____ merged on November 8, 2002, under the title of First National Bank of Pennsylvania, Greenville (000249)	3,394,708,000 315,359,000 3,710,067,000
South Dakota	
Wells Fargo Bank South Dakota, National Association, Sioux Falls (010592) _____ and Marquette Trust Company of South Dakota, National Association, Sioux Falls, South Dakota (024245) _____ merged on September 27, 2002, under the title of Wells Fargo Bank South Dakota, National Association, Sioux Falls (010592)	8,845,980,000 290,000 8,846,270,000

MERGERS—OCTOBER 1 TO DECEMBER 31, 2002

Affiliated mergers (continued)

Title and location (charter number)	Total assets
Texas	
Century Bank, National Association, New Boston (005636) _____	261,260,000
and Century Bank—Arkansas, Texarkana, Arkansas _____	16,945,000
merged on February 19, 2002, under the title of Century Bank, National Association, New Boston (005636)	278,205,000
Wells Fargo Bank Texas, National Association, San Antonio (014208) _____	23,648,435,000
and The First National Bank of Amarillo, Amarillo, Texas (023451) _____	347,127,000
merged on August 24, 2002, under the title of Wells Fargo Bank Texas, National Association, San Antonio (014208)	24,011,753,000
Bank of Texas, National Association, Dallas (024082) _____	1,702,440,000
and Bank of Tanglewood, National Association, Houston, Texas (023135) _____	234,696,000
merged on November 13, 2002, under the title of Bank of Texas, National Association, Dallas (024082)	1,937,136,000
Wisconsin	
The Baraboo National Bank, Baraboo (014397) _____	310,345,000
and State Bank of Wonewoc, Wonewoc, Wisconsin _____	28,981,000
merged on December 9, 2002, under the title of The Baraboo National Bank, Baraboo (014397)	339,326,000
Wells Fargo Bank Wisconsin National Association, Milwaukee (015057) _____	2,381,193,000
and The First National Bank and Trust Company of Baraboo, Baraboo, Wisconsin (014060) _____	100,948,000
and Meridian Capital Bank, National Association, Milwaukee, Wisconsin (023787) _____	96,014,000
merged on July 13, 2002, under the title of Wells Fargo Bank Wisconsin National Association, Milwaukee (015057)	2,578,155,000

MERGERS—OCTOBER 1 TO DECEMBER 31, 2002

Affiliated mergers—thrift (mergers consummated involving affiliated national banks and savings and loan associations), from October 1 to December 31, 2002

Title and location (charter notal assets)

California

California National Bank, Los Angeles (023543) _____	3,319,000
and Fidelity Federal Bank, a Federal Savings Bank, Glendale, California _____	2,319,000
merged on October 25, 2002, under the title of California National Bank, Los Angeles (023543) _____	5,597,000

Maine

Banknorth, National Association, Portland (024096) _____	21,129,898,000
and Southington Savings Bank, Southington, Connecticut _____	675,994,000
merged on August 31, 2002, under the title of Banknorth, National Association, Portland (024096) _____	21,916,175,000

Tennessee

EFS National Bank, Memphis (022404) _____	885,297,000
and EFS Federal Savings Bank, Cordova, Tennessee _____	385,000,000
merged on August 26, 2002, under the title of EFS National Bank, Memphis (022404) _____	1,270,000,000