



Comptroller of the Currency
Administrator of National Banks

Washington, DC 20219

Conditional Approval #320
August 1999

July 28, 1999

Mr. Thomas J. Prince
Executive Vice President
National Bank of Commerce of Mississippi
P.O. Box 1187
Starkville, Mississippi 39760-1187

RE: Request by National Bank of Commerce to establish an operating subsidiary Application
Control Number: 1999-SE-08-0025

Dear Mr. Prince:

This is in response to National Bank of Commerce's application dated May 21, 1999 filed with the Office of the Comptroller of the Currency ("OCC"), and as supplemented by letter dated June 4, 1999 from Gholson, Hicks & Nichols, to establish an operating subsidiary ("the subsidiary"), NBC Insurance Services, Inc., for the purpose of acquiring two insurance agencies. The subsidiary, to be initially located at the bank's operations center, will engage in certain general insurance agency activities as permitted under 12 U.S.C. § 92 and act as agent for the sale of fixed and variable rate annuities pursuant to 12 U.S.C. § 24(Seventh).

The OCC hereby approves National Bank of Commerce's operating subsidiary application subject to the condition that National Bank of Commerce establish the legal permissibility of NBC Insurance Services, Inc.'s activities, including its location, or restructure its activities to bring them into compliance with national banking law, within two years from the date it acquires the insurance agencies. This condition of 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 U.S.C. § 1818. As such, the condition is enforceable under 12 U.S.C. § 1818. In addition, please be advised that the principles set forth in the OCC's letter dated November 4, 1996, responding to operating subsidiary notifications filed by First Union Corporation, are applicable.

The bank must also ensure that it complies with the applicable insurance licensing requirements that may arise with respect to the proposed activities, as well as any registration or other requirements that may arise under securities laws with respect to the proposed activities involving the sale of variable annuities.

If you have any questions, please contact Senior Corporate Analyst Dennis Oswald (404) 588-4525, or Senior Attorney Virginia Rutledge at (202) 874-5210.

Sincerely,

/s/

Julie L. Williams
Chief Counsel