



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 #99-17 August 1999

DECISION OF THE COMPTROLLER OF THE CURRENCY ON THE APPLICATION BY SAPELO NATIONAL BANK, DARIEN, GEORGIA, TO PURCHASE AND ASSUME THE BRUNSWICK, GEORGIA BRANCH OF REPUBLIC BANK, FEDERAL SAVINGS BANK, ST. PETERSBURG, FLORIDA.

DECISION

Introduction

On April 30, 1999, application was made to the Office of the Comptroller of the Currency for prior authorization for Sapelo National Bank, Darien, Georgia (hereinafter, "SNB"), to purchase certain assets and assume certain liabilities of the Brunswick, Georgia branch of Republic Bank, Federal Savings Bank, St. Petersburg, Florida (hereinafter, "FSB"). This application was based on an agreement finalized between the proponents on April 1, 1999.

The Financial Institutions Involved

As of January 31, 1999, the Brunswick branch had total deposits of \$15 million. On March 31, 1999, SNB had total deposits of \$16 million and operated one office.

Competitive Analysis

The OCC has reviewed the competitive effects of the proposal by using its standard procedures for determining whether a transaction clearly has minimal or no adverse competitive effects. The OCC finds that the proposal satisfies the Office's criteria for transactions 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 SNB and FSB 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. The Brunswick branch represents FSB's only branch in this market. FSB desires to leave and SNB desires to enter this market. SNB will provide the customers with competitive rates and generally foster competition in the area. SNB does not plan to discontinue any products or services. 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.

_____/s/_____
John O. Stein, II
Corporate Manager

_____/07-01-99_____
Date

ACN# 99 SE 02 0028