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Comptroller of the Currency  
Administrator of National Banks

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Large Bank Licensing, MS 7-13  
250 E Street, SW  
Washington, DC 20219

**Corporate Decision #2005-12  
September 2005**

**DECISION OF THE COMPTROLLER OF THE CURRENCY (OCC) ON THE APPLICATION  
BY WELLS FARGO BANK, NATIONAL ASSOCIATION, SIOUX FALLS, SOUTH DAKOTA,  
TO PURCHASE THE ASSETS AND ASSUME THE LIABILITIES OF FOUR RANDALL  
COUNTY, TEXAS BRANCHES OF PLAINSCAPITAL BANK, HOUSTON, TEXAS**

**May 25, 2005**

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**Introduction**

On January 24, 2005, application was made to the OCC for prior authorization to purchase the assets and assume the liabilities of the following branches of PlainsCapital Bank located in Amarillo, Texas:

Wolfen Branch	1838 South Georgia Street
Coulter Branch	4140 South Coulter
Downtown Branch	724 South Polk
Canyon Branch	1901 4 <sup>th</sup> Avenue

This application was based on an agreement entered into between the proponents on December 16, 2004.

**Participating Financial Institutions**

As of March 31, 2005, Wells Fargo Bank had assets of \$367 billion, deposits of \$280 billion, and operates 3,138 offices. As of this same date, the four offices of PlainsCapital Bank subject to the purchase and assumption agreement had total deposits of \$154 million. Wells Fargo Bank is owned and controlled by Wells Fargo & Company.

**Competitive Analysis**

As required by the Bank Merger Act, reports on the competitive effects of the merger were requested from the United States Attorney General and the Federal Deposit Insurance Corporation ("FDIC"). The OCC has considered the application and all the facts of record in light of the factors set forth in the Bank Merger Act and the OCC's regulations thereunder.

The relevant geographic market for this proposal is the Amarillo MSA, Texas. This is the area where competition between PlainsCapital Bank and Wells Fargo Bank is direct and

immediate. Within this geographic area, PlainsCapital Bank operates four branches, three in Amarillo and one in Canyon, Texas. Wells Fargo Bank operates five offices, four in Amarillo and one in Canyon, Texas. On a pro forma basis, the Herfindahl Hirschmann Index increases by 97 points from 2,134 to 2,231, and Wells Fargo Bank moves from number three in the market to number two, with 14.3% of the market deposits. The OCC has reviewed the competitive effects of this proposal by using its standard procedures for determining whether a purchase and assumption has minimal or no adverse competitive effects. Based upon a competitive review, the OCC finds that the proposed purchase of assets and assumption of liabilities will not have a significant anticompetitive effect in the relevant geographic market. In addition, the OCC considered the Department of Justice Competitive Effects Report, which found no significant anticompetitive effect.

### **Convenience and Needs**

At consummation of this proposal, Wells Fargo Bank intends to close the Downtown Branch. A short time following consummation, Wells Fargo Bank intends to consolidate the Canyon Branch into its existing Canyon Branch located at 2111 4<sup>th</sup> Avenue. Wells Fargo Bank has met the requirements of the Joint Policy Statement on Branch Closings (Policy Statement).

### **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 Wells Fargo 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.

### **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 that the applicant's records of helping to meet the credit needs of their communities, including low- and moderate-income neighborhoods, is satisfactory.

### **Conclusion**

We have analyzed this proposal pursuant to the Bank Merger Act and the Policy Statement and find that it will not lessen competition significantly in any relevant market. Other factors considered in evaluating this proposal are satisfactory. Accordingly, the application is approved.

*signed*

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Lawrence E. Beard  
Deputy Comptroller  
2005-ML-02-0001