



Office of the Comptroller of the Currency

Interpretations - Conditional Approval #207

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June 25, 1996

Mr. Steve Bell
President
Wood County National Bank
P.O. Box 8000
Wisconsin Rapids, Wisconsin 54495-8000

Re: Notice of Intent of Wood County Trust Company, Wisconsin Rapids, Wisconsin to convert to a national trust bank and exercise fiduciary powers with the title of "Wood County Trust Company, National Association." (96-CE-01-020)

Dear Mr. Bell:

The Comptroller of the Currency ("OCC") has reviewed your request, dated April 1, 1996, to convert Wood County Trust Company to a national trust bank. Wood County Trust Company does not offer insured deposits and is a member of the Federal Reserve System. After a thorough review of all information available, we find that your request meets the requirements for preliminary conditional approval to convert to a national trust association as follows:

Title: Wood County Trust Company, National Association

Location: 181 Second Street South

Wisconsin Rapids, Wisconsin 54495-8000

This approval is based in part upon the institution's representation made at the June 1996 preconversion examination concerning enhancements for improvement in the operation of the bank, and with the understanding that the bank will remain a member of the Federal Reserve System.

Prior to, or as of the date of the conversion:

1. Directors must purchase qualifying shares in conformance with 12 U.S.C. 72 and 12 C.F.R. 7.2005.
2. The bank must have a cashier (see 12 CFR 7.2015).
3. The institution must purchase adequate fidelity bond coverage in accordance with 12 C.F.R. 7.2013, which lists four factors the directors should consider to determine adequacy.
4. The board of directors must adopt and have in place written policies and procedures to ensure the safe

and sound operation of the bank. The minimum policies and procedures applicable to national banks are enclosed.

5. The converting institution must obtain any other required regulatory approvals.

This approval also is subject to the following three special conditions which shall be deemed to be "conditions 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(b)(1):

1. WCN Bancorp, Inc., its affiliates, successor owner(s), or the bank, may not take any action that would materially alter WCN Bancorp, Inc.'s or successor owner's ownership interest in the bank without prior approval of the OCC except when that change in ownership is subject to the prior approval of another federal depository regulatory agency. In the event the OCC considers a change in ownership, the OCC will apply the definitions and standards set forth in the Change in Bank Control Act and the OCC's implementing regulation (12 U.S.C. 1817(j) and 12 C.F.R. 5.50) in determining whether a change in WCN Bancorp, Inc.'s or a successor's ownership interest is material and whether to approve a proposed change.

2. Wood County Trust Company, National Association, shall assure that the operations of the bank are limited to that of a trust bank and that deposits other than trust funds are not accepted.

3. The limitations of Wood County Trust Company, National Association's activities must be fully enumerated in the bank's articles of association. Specifically, the articles must clearly state:

- The business of the association will be limited to that of a national trust bank;
- The bank must obtain the prior written approval of the OCC before amending its articles of association to expand the scope of its activities and services; and
- Transfers of the bank's stock are subject to prior approval of a federal depository institution regulatory agency. If no other agency approval is required, the OCC's approval must be obtained prior to the transfers. In such cases where OCC approval is required, the OCC will apply the definitions and standards of the Change in Bank Control Act and the OCC's implementing regulation to ownership changes in the bank.

The OCC has no objection to the individuals noted in the application as current directors and trust officers of Wood County Trust Company continuing in that capacity following the conversion to a national trust association. Any additions or changes in the directors or trust officers made by Wood County Trust Company prior to its conversion must be reviewed and approved by the OCC.

Enclosed is a copy of a letter certifying completion of the conversion steps which should be prepared by you when appropriate. The various forms to be executed in conjunction with this proposal and the enclosed certification letter, along with instructions for their completion, can be found in the Comptroller's Manual for Corporate Activities, Volume 2, dated January, 1992.

When the institution has satisfactorily completed all of the required items, the OCC will issue a letter officially authorizing the institution to commence business as a national trust association. At that time, you will receive the charter certificate and trust permit. The OCC will send you under separate cover an appropriate set of OCC handbooks, manuals, issuances, and selected other publications.

If the conversion is not consummated within six months from the date of the decision,

preliminary approval will be withdrawn. The OCC is opposed to granting extensions, except under the most extenuating circumstances and expects the conversion to occur as soon as possible.

All correspondence and documents concerning this transaction should be directed to National Bank Examiner Travis W. Wilbert at the district office. In addition, if you have any other questions, he may be contacted at (312) 360-8866.

Sincerely,

/s/

Thomas M. Fitzgerald
District Administrator
Enclosures