

FEDERAL RESERVE SYSTEM

First State Bank
Conway, Arkansas

Order Approving Establishment of a Branch

First State Bank (“Bank”), a state member bank, has requested the Board’s approval under section 9 of the Federal Reserve Act (“Act”)¹ to establish a branch at 6039 Heber Spring Road West, Quitman, Arkansas.

Notice of the proposal, affording interested persons an opportunity to submit comments, has been published in accordance with the Board’s Rules of Procedure.² The time for filing comments has expired, and the Board has considered the notice and all comments received in light of the factors specified in the Act.

Bank is the 19th largest depository institution in Arkansas, controlling approximately \$390.5 million in deposits, which represents less than 1 percent of the total amount of deposits of insured depository institutions in the state.³ Bank’s main office and ten branches are in Faulkner and White Counties, Arkansas, and the proposed branch would be in neighboring Cleburne County.

Section 9(3) of the Act⁴ requires a state member bank to obtain Board approval before establishing a branch. The Board is required by section 9(4) of the

¹ 12 U.S.C. § 321 et seq.

² 12 CFR 262.3(b).

³ Statewide ranking and deposit data are as of June 30, 2006, and reflect mergers as of June 1, 2007.

⁴ 12 U.S.C. § 321 and 12 CFR 208.6(b).