

PUBLIC DISCLOSURE

February 26, 1996

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Compass Bank

Jacksonville, Florida

Federal Reserve Bank of Atlanta
104 Marietta Street, N.W.
Atlanta, Georgia 30303

NOTE: This evaluation is not, nor should it be construed as, an assessment of the financial condition of this institution. The rating assigned to the institution does not represent an analysis, conclusion or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.

GENERAL INFORMATION

This document is an evaluation of the Community Reinvestment Act (CRA) performance of Compass Bank, Jacksonville, Florida, by the Federal Reserve Bank of Atlanta, the institution's supervisory agency.

This evaluation represents the agency's current assessment and rating of the institution's CRA performance based on an examination conducted as of February 26, 1996. It does not reflect any CRA-related activities that may have been initiated or discontinued by the institution after the completion of the examination.

The purpose of the Community Reinvestment Act of 1977, (12 U.S.C. 2901), as amended, is to encourage each financial institution to help meet the credit needs of the communities in which it operates. The Act requires that in connection with its examination of a financial institution, each federal financial supervisory agency shall (1) assess the institution's record of helping to meet the credit needs of its entire community, including low- and moderate-income neighborhoods, consistent with safe and sound operations of the institution, and (2) take the record of performance into account when deciding whether to approve an application of the institution for a deposit facility.

The Financial Institutions Reform, Recovery and Enforcement Act of 1989, Pub. L. No. 101-73, amended the CRA to require the agencies to make public certain portions of their CRA performance assessments of financial institutions.

Basis for the Rating

The assessment of the institution's record takes into account its financial capacity and size, legal impediments and local economic conditions and demographics, including the competitive environment in which it operates. Assessing the CRA performance is a process that does not rely on absolute standards. Institutions are not required to adopt specific activities, nor to offer specific types or amounts of credit. Each institution has considerable flexibility in determining how it can best help to meet the credit needs of its entire community. In that light, evaluations are based on a review of 12 assessment factors, which are grouped together under 5 performance categories, as detailed in the following section of this evaluation.

ASSIGNMENT OF RATING

Identification of Ratings

In connection with the assessment of each insured depository institution's CRA performance, a rating is assigned from the following groups:

Outstanding record of meeting community credit needs.

An institution in this group has an outstanding record of, and is a leader in, ascertaining and helping to meet the credit needs of its entire delineated community, including low- and moderate-income neighborhoods, in a manner consistent with its resources and capabilities.

Satisfactory record of meeting community credit needs.

An institution in this group has a satisfactory record of ascertaining and helping to meet the credit needs of its entire delineated community, including low- and moderate-income neighborhoods, in a manner consistent with its resources and capabilities.

Needs to improve record of meeting community credit needs.

An institution in this group needs to improve its overall record of ascertaining and helping to meet the credit needs of its entire delineated community, including low- and moderate-income neighborhoods, in a manner consistent with its resources and capabilities.

Substantial noncompliance in meeting community credit needs.

An institution in this group has a substantially deficient record of ascertaining and helping to meet the credit needs of its entire delineated community, including low- and moderate-income neighborhoods, in a manner consistent with its resources and capabilities.

Institution's Rating:

This institution is rated Satisfactory, based on the findings presented in the following discussion of the institution's performance.

DISCUSSION OF INSTITUTION'S PERFORMANCE

I. ASCERTAINMENT OF COMMUNITY CREDIT NEEDS

Activities conducted by the institution to ascertain the credit needs of its community, including the extent of the institution's efforts to communicate with members of its community regarding the credit services being provided by the institution.

Compass Bank's efforts to ascertain the credit needs of the residents of its delineation seem reasonable. The primary method for ascertaining community credit needs is through active involvement in several community groups and organizations. The organizations include local housing authorities, the North Florida Home Builders Association, the Ft. Walton Beach Board of Realtors, the Ft. Walton Beach Building Industry Association, the Ft. Walton Beach Economic Development Council, and the Escambia/Pensacola Local Housing Partnership. Bank personnel are also involved with organizations whose purpose is to foster economic improvement in the minority community. These organizations include the local chapters of the National Association for the Advancement of Colored People, the Jacksonville Urban League, and the Pensacola Minority Economic Development Committee. Bank personnel are also active in the local chambers of commerce in Jacksonville, Ft. Walton, and Pensacola.

Bank personnel also learn of community credit needs through continued involvement with a variety of religious, welfare, and charitable organizations. Bank personnel hold leadership positions in the Jacksonville, Ft. Walton Beach, and Escambia County United Way agencies.

The bank maintains a formal officer call program designed to inform the community of the bank's willingness to lend and to receive feedback from community members as to the services most needed in the area. Goals are assigned at the beginning of each year and the calls are tracked to determine if the goals are met. In 1995, the goal for outreach calls in Jacksonville, Pensacola, and Ft. Walton was 75 calls. The actual calls made totaled 66; 88 percent of the established goal. The goal was exceeded in the Jacksonville area and was met in Pensacola. However, in the Ft. Walton area, only 5 of the 15 calls included in the goal were made for the year. The calls made are in addition to other informal contacts, including breakfasts with realtors and other community groups.

The bank also learns of the credit needs in the community through active participation in credit education seminars. Bank personnel are involved in counseling prospective borrowers on the credit application process and on establishing a satisfactory credit history. The interaction with potential borrowers allows bank personnel to learn of the credit needs of the participants. The bank's records indicated participation in four educational seminars in 1995. Additionally, bank personnel address students at local schools on the credit process, budgeting money, and the importance of maintaining a satisfactory credit history.

DISCUSSION OF INSTITUTION'S PERFORMANCE (CONTINUED)

I. ASCERTAINMENT OF COMMUNITY CREDIT NEEDS (CONTINUED)

A CRA steering committee exists at the holding company level to provide both guidance for the bank's CRA program and to provide feedback on the effectiveness of the bank's program. The steering committee includes the compliance officer, legal counsel, head underwriter, and marketing director. The committee evaluates the bank's calling efforts under the call program, establishes new goals for the calling program, and establishes production goals for special credit programs. A monthly analysis is also performed to identify any trends in the bank's real estate lending practices. The compliance department in Birmingham, Alabama, prepares an annual self-assessment of the bank's CRA program. The self-assessment is presented to the steering committee for their discussion and to assist them in setting new goals for the bank's CRA program.

The extent of participation by the institution's board of directors in formulating the institution's policies and reviewing its performance with respect to the purposes of the Community Reinvestment Act (CRA).

The board of directors receives periodic updates on the status of the bank's CRA program from the CRA steering committee. The board approves the bank's CRA Statement annually. The most recent CRA Statement was approved during the January 1996 board meeting. The minutes of the directors' meetings revealed limited discussion of CRA.

II. MARKETING AND TYPES OF CREDIT OFFERED AND EXTENDED

The extent of the institution's marketing and special credit-related programs to make members of the community aware of the credit services offered by the institution.

Compass Bank's corporate marketing department oversees all marketing of credit and deposit products. The bank's marketing program is a result of a joint effort of corporate and local level management. The marketing program seeks to promote the bank's products to all members of the community including minorities and low-income residents. The marketing program uses print media, outdoor billboards and signs, and broadcast media. Advertisements are also placed in assorted civic programs and real estate guides. The bank's existing customer base is also informed of the credit products through direct mailings, statement messages and stuffers, and automated teller machine screen messages.

DISCUSSION OF INSTITUTION'S PERFORMANCE (CONTINUED)

II. MARKETING AND TYPES OF CREDIT OFFERED AND EXTENDED (CONTINUED)

The bank advertises credit and deposit products throughout the year. The advertisements are placed in both mainstream newspapers and in publications targeting specific minority groups. The following list shows the newspapers used in each of the three metropolitan statistical areas (MSAs) in which the bank operates. An entry followed by an asterisk is a publication that targets minorities.

Jacksonville MSA

Florida Times-Union

The Record

Jacksonville Advocate*

Jacksonville Free Press*

Florida Star*

Ft. Walton MSA

The Daily News

Pensacola MSA

News Journal

New American Press*

Pensacola Voice*

The bank also places commercials on radio stations in the three MSAs. As with its newspaper advertisements, Compass Bank attempts to utilize radio stations that target minorities. The following list of radio stations includes the minority-targeted stations, as indicated by an asterisk.

Jacksonville MSA

WAPE - FM

WFYV - FM

WTVY - FM

WJBT - FM

WQIK - FM

WROO - FM

WZAZ - AM

WSVE - AM*

Ft. Walton MSA

WBLX - FM

WG CX - FM

WKSM - FM

WMMK - FM

Pensacola MSA

WABB - FM

WBLX - FM

WOWW - FM

WTKX - FM

WXBM - FM

WRNE - AM*

DISCUSSION OF INSTITUTION'S PERFORMANCE (CONTINUED)

II. MARKETING AND TYPES OF CREDIT OFFERED AND EXTENDED (CONTINUED)

The institution's origination of residential mortgage loans, housing rehabilitation loans, home improvement loans, and small business or small farm loans within its community, or the purchase of such loans originated in its community.

The bank's marketing efforts are designed to promote the products listed in its CRA Statement. The 1996 CRA Statement lists the following types of credit as being available at the bank:

Loans to Consumers

- C Personal loans for consumer purchases
- C Home improvement loans
- C Home equity loans
- C Personal loans secured by deposit accounts, stocks, and bonds

Real Estate Financing

- C Single-family residential property loans including Federal Housing Administration (FHA) and Veterans Administration (VA) loans
- C Home construction loans
- C Multifamily housing loans
- C Commercial and industrial property financing

Revolving Credit

- C MasterCard and VISA credit cards
- C Personal lines of credit
- C Equity lines of credit

Commercial Loans

- C Loans to purchase equipment
- C Working capital loans
- C Loans guaranteed by the Small Business Administration (SBA)

A review of the bank's loan portfolio reveals that it offers and originates credit requests for the types of credit identified in the CRA statement. According to the December 31, 1995 Consolidated Reports of Condition for Insured Commercial and State-Chartered Savings Banks, the bank's loan-to-deposit ratio was 68.8 percent with a loan portfolio heavily weighted towards real estate lending. The following chart shows the bank's loan portfolio at year-end 1995.

DISCUSSION OF INSTITUTION'S PERFORMANCE (CONTINUED)

II. MARKETING AND TYPES OF CREDIT OFFERED AND EXTENDED (CONTINUED)

Loan Type	% of Portfolio
1- to 4-family real estate-secured	68.1
Construction and land development	5.1
Loans to individuals	4.7
Commercial and industrial	3.6
Home equity lines of credit	2.4
Multifamily real estate-secured	1.2
Other	14.9

Comparing the bank's loan portfolio with its peer group of banks having assets between \$500 million and \$1 billion using the September 30, 1995 Uniform Bank Performance Report, the bank's one- to four-family real estate-secured loans placed the bank in the 96th percentile. The bank's construction and development lending level was at the 60th percentile. The total real estate lending placed the bank in the 93rd percentile.

The institution's participation in governmentally insured, guaranteed, or subsidized loan programs for housing, small businesses, or small farms.

Compass Bank has recognized a demand for and is willing to process applications for FHA and VA loans. Because the bank operates in an MSA, it is subject to the reporting requirements of the Home Mortgage Disclosure Act (HMDA). A review of the bank's 1995 Loan Application Register revealed that the bank received 57 applications for FHA loans and 68 applications for VA loans. The bank originated 38 FHA loans and 46 VA loans in 1995. The bank also offers small business loans guaranteed by the SBA. In 1995, the bank originated 4 SBA loans totaling \$377,319 in the Jacksonville area. The low number of business loans is attributed to the bank's focus on real estate lending.

DISCUSSION OF INSTITUTION'S PERFORMANCE (CONTINUED)

III. GEOGRAPHIC DISTRIBUTION AND RECORD OF OPENING AND CLOSING OFFICES

Reasonableness of Delineated Community

The bank has delineated its community to include three separate communities in Florida. The three communities are the Jacksonville metropolitan statistical area (including most of Duval, Clay, Nassau, and St. John Counties), the Ft. Walton Beach community (Okaloosa County), and the Pensacola community (the southeastern portions of Escambia County and two tracts in Santa Rosa County between Santa Rosa Island and the rest of Escambia County). The delineation seems reasonable for the purposes of CRA and does not arbitrarily exclude any low- and moderate-income census tracts.

The geographic distribution of the institution's credit extensions, credit applications, and credit denials.

The bank's HMDA data was reviewed to determine whether its mortgage loan products are accessible to all residents of its delineation. An analysis of the bank's preliminary 1995 HMDA Loan Application Register revealed that the bank received 1,289 applications. Approximately 83 percent of the applications were for properties within the bank's delineation. The delineation consists of 263 census tracts. 74 of the census tracts are designated as low- or moderate-income (LMI) census tracts and 21 of the tracts are predominately minority tracts. 17 of the 21 minority tracts are designated as LMI tracts.

The bank's number of applications received from LMI census tracts seems reasonable given the number of such tracts. During 1994, the bank received 17.3 percent of its applications from LMI census tracts compared to 12.2 percent received from the market as a whole. The bank's origination rate in LMI census tracts (49.3 percent) was almost identical to the origination rate for the market in those tracts (50.3 percent). The bank's approval rate in middle- and upper-income census tracts was 59.1 percent in 1994. The approval rate for applications received for properties in LMI tracts in 1995 was slightly higher than the previous year (54.5 percent).

The 1994 HMDA data was reviewed to ascertain the percentage of total applications received by the bank from LMI applicants versus the whole market. In 1994, the bank received 40.8 percent of its HMDA-related applications from LMI applicants. This percentage seems reasonable given that the LMI population is 20.7 percent in the bank's delineation. The percentage also compares favorably to 34.2 percent of applications for LMI applicants received from the market in 1994.

DISCUSSION OF INSTITUTION'S PERFORMANCE (CONTINUED)

III. GEOGRAPHIC DISTRIBUTION AND RECORD OF OPENING AND CLOSING OFFICES (CONTINUED)

The institution's record of opening and closing offices and providing services at offices.

Compass Bank operates 24 branches in the Jacksonville, Ft. Walton, and Pensacola MSAs. 13 of the branches are in the Jacksonville MSA, 5 are in the Pensacola MSA, and 6 are in the Ft. Walton MSA. The bank recently sold four of its branches in the Jacksonville MSA. One additional part-time branch that operated from a retirement home was closed. The bank followed the procedures detailed in its branch closing policy before closing the branch. The policy is in accordance with section 42 of the Federal Deposit Insurance Act.

IV. DISCRIMINATION AND OTHER ILLEGAL CREDIT PRACTICES

Any practices intended to discourage applications for types of credit set forth in the institution's CRA Statement.

Credit applications are solicited from all segments of the community. Adequate policies, procedures, and training programs are in place to ensure that applicants are not illegally discouraged or pre-screened. The bank is in compliance with the substantive provisions of antidiscrimination laws and regulations.

To ensure that the bank was not discriminating against any protected class of borrowers, senior bank management contracted with an outside firm to conduct shopper testing to determine whether any prescreening or illegal discouragement was occurring during the application stage of the loan application process. Eight tests were performed in Jacksonville and two were performed in Pensacola. According to senior management, the outside firm detected no evidence of discriminatory practices.

Evidence of prohibited discriminatory or other illegal credit practices.

The HMDA information was also reviewed to determine if underwriting guidelines were being applied evenly across racial lines. The denial ratios of black applicants when compared to whites in 1994 revealed that 60 percent of all black applicants were either denied or withdrew their applications, compared to 40 percent of white applicants. The market's denial rate for black applicants was 45 percent and 30 percent for white applicants in 1994. The higher denial rates for Compass Bank in both racial groups may be an indication that the underwriting guidelines in general are stricter than the rest of the market. The CRA steering committee monitors the ratio of approvals for black and white HMDA applicants. Information presented for the first 11 months of 1995 showed the black applicant approval rate increasing to 43.5 percent and the white approval rate increasing to 63.9 percent, but gave no explanation of the 20 percent differential between the two groups.

DISCUSSION OF INSTITUTION'S PERFORMANCE (CONTINUED)

IV. DISCRIMINATION AND OTHER ILLEGAL CREDIT PRACTICES (CONTINUED)

The bank received 77.3 percent of its 1994 HMDA applications from white applicants and 22.7 percent of its applications from nonwhite applicants. Applications received from black applicants equaled 16.7 percent of the total applications for the bank. These percentages seem reasonable given the racial composition of the bank's community. According to HMDA information for 1994, the minority population of the market was 22.3 percent. The bank's percentage compares favorably with the applications received by the entire market, as applications from blacks totaled only 9.4 percent of the market total in 1994.

V. COMMUNITY DEVELOPMENT

The institution's participation, including investments, in local community development and redevelopment projects or programs.

Compass Bank has done an adequate job of fostering community development projects. The bank's primary contribution to community development is the origination of mortgage loans. Compass Bank has developed a special program designed to assist LMI homebuyers in obtaining their goal of home ownership. Compass' Affordable Real Estate Program allows a lower down payment than most traditional mortgage loans and waives the requirement of private mortgage insurance. Loans can be financed with as little as a 3 percent down payment. A portion of the down payment can come from gifts, grants, or other loans. The program has no origination fee or discount points, thereby lowering the borrower's closing costs. The closing costs up to 2 percent of the loan amount can be financed. The program uses flexible guidelines that consider nontraditional credit histories such as the payment of utility bills and rent. The program offers terms for a first mortgage ranging from 5 to 30 years with a mortgage of as little as \$5,000. A second mortgage is offered in amounts between \$5,000 and \$30,000, with terms of 5 to 15 years available. In 1995, the bank originated 120 loans under this program in the Jacksonville area, with a total loan amount of \$6.4 million. Originations in the Pensacola and Ft. Walton areas totaled 25, with a value of \$962,000.

The bank is a participant in the State Housing Initiatives Partnership (SHIP) programs in all three of the MSAs where the bank operates. The SHIP program provides down payment and closing cost assistance to first-time homebuyers whose income is no more than 120 percent of the median income in a particular MSA. At least 60 percent of the program's funds must be used to assist low-income families and individuals. The bank's Ft. Walton offices have been very involved in managing SHIP funds through the Okaloosa Community Development Corporation. In 1995, the bank closed loans for 20 families using SHIP funds.

DISCUSSION OF INSTITUTION'S PERFORMANCE (CONTINUED)

V. COMMUNITY DEVELOPMENT (CONTINUED)

Compass Bank is one of five area banks participating in a bank consortium for the Springfield Redevelopment - Phase II project. For 1994 and 1995, the bank has committed \$375,000 to fund first mortgage loans for the purchase and renovation of residential units in the Springfield area, a predominantly minority neighborhood in north Jacksonville. The program allows for a reduced down payment of 5 percent and offers flexible credit criteria. The bank's involvement with the program has resulted in eight loans being funded, with a total loan volume of \$324,500. Bank management has indicated a willingness to continue participating in the program in 1996.

The bank is involved with the Jacksonville Housing Partnership, Inc. (JHP). The JHP has a contract with a credit counseling service to provide financial and credit counseling and homeowner education classes to LMI individuals who express an interest in becoming homeowners. The program allows the potential credit applicant up to a year to receive the counseling if such a time period is warranted to become financially stable. Upon completion of the counseling program, an individual may qualify for a first mortgage developed by the JHP member banks. Additionally, applicants will be eligible for down payment and closing cost assistance. In 1995, Compass Bank's involvement with the JHP resulted in the closing of 5 loans totaling \$262,668.

The bank is also involved in addressing the financial needs of small businesses operating in its delineated community. The bank assists in promoting the services of the Northwest Florida Black Business Investment Fund to qualified applicants seeking small business loans. Compass Bank has also made capital contributions to support the Black Business Investment Corporation (BBIC) in Jacksonville. The BBIC provides established minority-owned businesses with funds for working capital and inventory. The bank's Ft. Walton offices are currently working with the Economic Development Council of Okaloosa County to develop a mentoring program for small minority- and women-owned businesses. The program's purpose is to assist these businesses in developing the business expertise needed to operate a successful and continuing business.

The institution's ability to meet various community credit needs based on its financial condition and size, legal impediments, local economic conditions, and other factors.

Compass Bank operates as a full-service financial institution with total assets of \$620.3 million as of December 31, 1995. The bank resulted from a merger of a national bank and a federally chartered stock savings bank. The bank has a focus in real estate lending, but offers a full array of deposit and lending products.

DISCUSSION OF INSTITUTION'S PERFORMANCE (CONTINUED)

V. COMMUNITY DEVELOPMENT (CONTINUED)

The demographics of the community directly affect the opportunities a financial institution has to promote community development. The following summaries briefly describe the demographics of the three communities in which the bank operates. All numbers cited are from the 1990 census.

JACKSONVILLE MSA

The Jacksonville area has a total population of 906,727. Approximately 76 percent of the population is white. Blacks make up the largest minority group with 20 percent of the population. The area has 243,636 families, with 37.8 percent of the families earning less than 80 percent of the median family income of \$34,276. The total number of housing units in the area is 384,360, with owner-occupied units totaling 222,571 (57.9 percent). The median housing value is \$67,287, and the median age of the housing stock is 17 years.

FT. WALTON BEACH MSA

The Ft. Walton Beach area has a total population of 143,776. Approximately 78 percent of the residents are white. Blacks make up the largest minority group with 9 percent of the population. The area has 39,885 families, with 42.3 percent of the families earning less than 80 percent of the median family income of \$31,663. The total number of housing units in the area is 62,569, with owner-occupied units totaling 33,149 (53 percent). The median housing value is \$70,196, and the median age of the housing stock is 21 years.

PENSACOLA MSA

The Pensacola area has a total population of 344,406. Approximately 80 percent of the population is white. Blacks make up the largest minority group with 16 percent of the population. The area has 94,100 families, with 45.8 percent of the families earning less than 80 percent of the median family income of \$29,922. The total number of housing units in the area is 145,061, with owner-occupied units totaling 86,356 (59.5 percent). The median housing value is \$59,011, and the median age of the housing stock is 18 years.

DISCUSSION OF INSTITUTION'S PERFORMANCE (CONTINUED)

V. COMMUNITY DEVELOPMENT (CONTINUED)

Any other factors that, in the regulatory authority's judgment, reasonably bear upon the extent to which an institution is helping to meet the credit needs of its entire community.

The bank was actively involved in processing loan applications for short-term bridge loans following Hurricane Opal. Although the bank did not lend any money, bank personnel were instrumental in handling the applications for the emergency funds provided by the state to aid small businesses in repairing damages and continuing business. The bank is also a contributor to numerous local charities in the communities it serves. Additionally, bank personnel volunteer their time to assist local civic groups in community development efforts.

TO THE INSTITUTION EXAMINED:

THIS COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION WAS PREPARED BY THE FEDERAL RESERVE BANK OF ATLANTA. THE FOLLOWING ACTIONS MUST BE TAKEN TO FULFILL THE CRA'S REQUIREMENTS.

- C AT A MINIMUM, PLACE THE EVALUATION IN YOUR CRA PUBLIC FILE LOCATED AT YOUR HEAD OFFICE (AND A DESIGNATED OFFICE IN EACH OF YOUR LOCAL COMMUNITIES) NO LATER THAN 30 BUSINESS DAYS AFTER RECEIVING THE EVALUATION.
- C PROVIDE A COPY OF THE EVALUATION TO THE PUBLIC UPON REQUEST (YOU ARE PERMITTED TO CHARGE A FEE NOT TO EXCEED THE COST OF REPRODUCTION AND MAILING IF APPLICABLE) NO LATER THAN 30 BUSINESS DAYS AFTER RECEIVING THIS LETTER.
- C ADD THE FOLLOWING LANGUAGE TO YOUR CRA PUBLIC NOTICE THAT IS POSTED IN EACH OF YOUR OFFICES, NO LATER THAN 30 BUSINESS DAYS AFTER RECEIVING THE EVALUATION:

"YOU MAY OBTAIN THE PUBLIC SECTION OF OUR MOST RECENT CRA PERFORMANCE EVALUATION, WHICH WAS PREPARED BY THE FEDERAL RESERVE BANK OF ATLANTA, AT (YOUR MAIN OFFICE ADDRESS)."

FEDERAL RESERVE BANK OF ATLANTA

ASSISTANT VICE PRESIDENT

(Date)

CYNTHIA C. GOODWIN

(Title)

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COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

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TO THE FEDERAL RESERVE BANK OF ATLANTA

A COPY OF THE COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION PREPARED AS OF THE CLOSE OF BUSINESS FEBRUARY 26, 1996, BY AN EXAMINER FOR THE FEDERAL RESERVE BANK OF ATLANTA HAS BEEN RECEIVED AND WILL BE MADE AVAILABLE TO THE PUBLIC IN THE MANNER STATED IN THE LETTER WHICH ACCOMPANIED THE EVALUATION.

(Signature of Authorized Officer)

(Title)

COMPASS BANK

(Name of Bank)

JACKSONVILLE, FLORIDA

(Location)

FEDERAL RESERVE BANK OF ATLANTA

Cynthia C. Goodwin
ASSISTANT VICE PRESIDENT

Board of Directors
Compass Bank
Post Office Box 10566
Birmingham, Alabama 35296

Dear Board Members:

Enclosed is the bank's Community Reinvestment Act Performance Evaluation prepared by Federal Reserve Examiner Alan R. Godfrey using the guidelines established by the Federal Financial Institutions Examination Council. This evaluation was prepared in accordance with the Community Reinvestment Act (CRA), as amended by the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, and must be made available to the public. The following actions must be taken to fulfill the CRA's requirements.

- C At a minimum, place the evaluation in your CRA public file located at your head office (and a designated office in each of your local communities) no later than 30 business days after receiving this letter.
- C Provide a copy of the evaluation to the public upon request (you are permitted to charge a fee not to exceed the cost of reproduction and mailing if applicable) no later than 30 business days after receiving this letter.
- C Add the following language to your CRA public notice that is posted in each of your offices, no later than 30 business days after receiving the evaluation:

"You may obtain the public section of our most recent CRA Performance Evaluation, which was prepared by the Federal Reserve Bank of Atlanta, at (your main office address)."

Please acknowledge receipt of this evaluation by signing and returning the attached blue form. The format and content of the evaluation should not be altered or abridged in any manner. You may wish to comment on this information detailing actions the bank has taken since the examination to meet its obligations under the CRA. Any written comments concerning the evaluation placed in the public file should also be forwarded to this office. If you believe any of the information included in the public evaluation is proprietary, please contact this Reserve Bank so that the appropriate action can be taken.

Board of Directors
Compass Bank
Birmingham, Alabama

Our Community Affairs staff is available to assist you in determining and responding to community credit needs. Please feel free to contact Mr. Courtney Dufries at (404) 589-7226. If you have any questions concerning this report or any other compliance matter, contact Ms. Gale Williams at (404) 589-7223.

Very truly yours,

Cynthia C. Goodwin

Enclosures

PUBLIC DISCLOSURE

**COMMUNITY REINVESTMENT ACT
PERFORMANCE EVALUATION**

Name of Bank: Compass Bank

City and State: Jacksonville, Florida

Date of Examination: February 26, 1996