



BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM

WASHINGTON, D. C. 20551

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

December 20, 1996

Thomas A. Plant, Esq.
Assistant General Counsel
National City Corporation
Law Department
1 Cascade Plaza
Akron, Ohio 44308

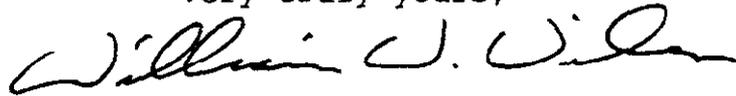
Dear Mr. Plant:

Acting on behalf of the Board of Governors pursuant to delegated authority, I have approved the applications of National City Bank, Cleveland, Ohio ("NCB Ohio") and National City Bank of Indiana, Indianapolis, Indiana ("NCB Indiana"), under section 25 of the Federal Reserve Act, to establish branches in Grand Cayman, British West Indies, and to operate and maintain the branches subject to the provisions of that section and of Regulation K.

It is understood that there is to be no contact with the local public at the branches, and that operations for the branches will be conducted by the respective banks from their main offices in the United States. In view of the special character of this operation, the foregoing permission is granted subject to (1) a continuing review of these types of activities and, after due notice, possible withdrawal or modification of this permission, and (2) maintenance at NCB Ohio's and NCB Indiana's head offices of adequate information covering their respective branches' operations and availability of that information to the Board and its accredited representatives. Further, NCB Ohio and NCB Indiana should establish adequate policies and procedures to ensure that U.S. customers with deposit accounts in the Cayman branches are informed that the deposits are not insured by the Federal Deposit Insurance Corporation; that, in a liquidation, deposits held in offshore branches have lesser preference than deposits held in the United States; and that such deposits are subject to cross-border risks.

The Board should be promptly informed of any modifications in the branches' methods of operation, including changes in the manner in which services are supplied to the branches.

Very truly yours,

A handwritten signature in cursive script, appearing to read "William W. Wiles".

William W. Wiles
Secretary of the Board

cc: Andrew C. Burkle Jr., Vice President,
Federal Reserve Bank of Cleveland
Comptroller of the Currency