



BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON, D. C. 20551

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

April 29, 1997

Frederic Dorwart, Esq.
Law Offices
Old City Hall
124 East Fourth Street
Tulsa, Oklahoma 74103-5010

Dear Mr. Dorwart:

The Board of Governors of the Federal Reserve System today approved the following notice filed pursuant to section 4 of the Bank Holding Company Act:

BOK Financial Corporation, Tulsa, Oklahoma ("BOK Financial"), to engage de novo through its wholly owned subsidiary, Alliance Securities Corporation, Tulsa, Oklahoma ("Alliance"), in certain nonbanking activities, including underwriting and dealing in, to a limited extent, certain municipal revenue bonds, 1-4 family mortgage-related securities, consumer receivable-related securities, and commercial paper.

The Board's approval was based on all the facts of record and in reliance on all of the commitments and representations made by BOK Financial. In particular, the Board relied on BOK Financial's commitments that its affiliated banks, in acting as brokers for bank-ineligible securities that Alliance underwrites, will act exclusively as agent for their customers, will not enter into any selling agreements with Alliance or receive an allocation of securities from Alliance, will not receive any compensation from Alliance or issuers of securities, and will not act as underwriter or participate or be named in any distribution group.

The Board also relied on BOK Financial's commitment to make certain disclosures to address the potential for conflicts of interest and customer confusion that may arise from the sales by BOK Financial's affiliated banks of securities underwritten by Alliance. The Board relied on BOK Financial's commitment that its affiliated banks will disclose to their customers that the bank-ineligible securities are being underwritten by an affiliate of the banks,

and that the affiliated company will be paid an underwriter's fee in connection with the securities issue. In addition, the banks will make the disclosures set out in the Interagency Statement on Retail Sales of Nondeposit Investment Products, which requires disclosure that the securities are not FDIC insured, are not deposits or other obligations of the banks, and are subject to investment risk, including the possible loss of principal. The Board understands that these disclosures will be made at the beginning of a customer relationship, during any sales presentation, and following any order to purchase municipal securities underwritten by Alliance.

Material related to the Board's action is enclosed. Please advise the Federal Reserve Bank of Kansas City when the approved action is consummated.

Very truly yours,



Jennifer J. Johnson

Deputy Secretary of the Board

Enclosures: 1. Press Release
2. Order

cc: Federal Reserve Bank of Kansas City