



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

ADDRESS OFFICIAL CORRESPONDENCE  
TO THE BOARD

April 10, 1998

Mr. Jerry Salinas  
Senior Vice President and Treasurer  
Cullen/Frost Bankers, Inc.  
100 W. Houston Street  
San Antonio, Texas 78205

Dear Mr. Salinas:

The Secretary of the Board of Governors of the Federal Reserve System, acting pursuant to authority delegated by the Board, and having considered the record of the applications in light of the relevant statutory factors, has approved the following applications, filed pursuant to section 3 of the Bank Holding Company Act (12 U.S.C. § 1842) and section 225.14 of the Board's Regulation Y (12 C.F.R. 225.14): (1) Cullen/Frost Bankers, Inc., San Antonio, Texas ("Applicant"), to merge with Overton Bancshares, Inc., and thereby acquire Overton Bancorporation and indirectly acquire Overton Bank and Trust, N.A. ("Overton Bank"), all in Fort Worth, Texas;<sup>1/</sup> and (2) The New Galveston Company, San Antonio, Texas ("New Galveston"), to merge with Overton Bancorporation and thereby acquire Overton Bank.<sup>2/</sup>

Applicant has certified that all the criteria set forth in section 225.14(c) of Regulation Y are met and has filed the information required by section 225.14(a) of Regulation Y. In approving the applications, the Secretary has relied on all the facts of record and the commitments made by

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<sup>1/</sup> Overton Bancshares, Inc. and Overton Bancorporation are first and second tier bank holding companies, respectively.

<sup>2/</sup> Applicant and New Galveston are first and second tier bank holding companies, respectively.

Applicant in the applications and in related correspondence. These commitments are conditions imposed in writing in connection with the findings and decision herein and, as such, may be enforced under applicable provisions of law.

The transactions may not be consummated before the fifteenth calendar day following the date of this letter or later than three months after the date of this letter, unless such period is extended by the Federal Reserve Bank of Dallas ("Reserve Bank"). In connection with these provisions, advice of the fact of consummation should be given to the Reserve Bank.

Very truly yours,

A handwritten signature in black ink, appearing to read "Jennifer J. Johnson". The signature is fluid and cursive, with a long horizontal flourish extending to the right.

Jennifer J. Johnson  
Deputy Secretary of the Board

cc: Federal Reserve Bank of Dallas  
Office of the Comptroller of the Currency  
Department of Justice  
Texas Banking Commissioner