

## FEDERAL RESERVE BANK OF ATLANTA

Zane R. Kelley  
VICE PRESIDENT

August 28, 1997

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Mr. John W. Puffer, III  
President  
The Terrace Bank of Florida  
Post Office Box 16828  
Tampa, Florida 33687-6828

Dear Mr. Puffer:

This is in reference to the application by The Terrace Bank of Florida, Tampa, Florida (Bank), to establish a branch office located at 19400 Bruce B. Downs Boulevard, Tampa, Florida, pursuant to Section 9 of the Federal Reserve Act.

The Board of Governors of the Federal Reserve System has amended the procedures for establishing a branch, which, based upon certain criteria, allow a state member bank to open a branch on the fifth business day after the expiration of a one-time, 30-day newspaper comment period unless notified to the contrary by the Reserve Bank. Criteria for these procedures include a satisfactory financial condition, an adequate capital level in relation to assets, a satisfactory record of performance under the Community Reinvestment Act, satisfactory compliance with laws and regulations, and compliance with any supervisory directives. In addition, the additional investment in fixed assets associated with a specific branch proposal must not cause the bank's total investment in fixed assets to exceed 150 percent of the sum of its equity capital plus its loan loss reserve.

Because Bank meets the requirements for these amended procedures, the bank may consummate the transaction five business days after expiration of the comment period, or 09-22-97, unless notified to the contrary by the Reserve Bank. Approval is subject to Bank obtaining approval from the Florida State Banking Department and to the proposal's consummation within one year from 09-22-97. Please advise this office in writing one week prior to the opening of the branch.

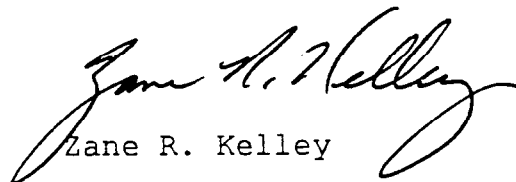
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Until further notice, future branch applications by Bank may consist of a letter describing the proposal, a copy of the newspaper notice, and a publisher's affidavit.

Should you have any questions regarding this matter, please contact Wayne G. Smith of our staff at (404) 589-7265.

Very truly yours,

  
Zane R. Kelley

cc: Board of Governors  
Florida State Banking Department  
Mr. W. Earl Smith, Senior Vice President