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January 7, 1993

Mr. T. Alan Harris
Liddell, Sapp, Zivley, Hill & LaBoon, L.L.P.
3400 Texas Commerce Tower
Houston, Texas 77002

RE: Corpus Christi National Bank
(Sales of Common Stock by MCorp Financial, Inc.)

Dear Mr. Harris:

This is in response to your letter dated December 18, 1992, and received by this Agency December 22, 1992. Such letter supplemented your letter dated September 10, 1992.

Your letters indicate that Corpus Christi National Bank, a national banking association (the "Bank"), has entered into a Stock Purchase Agreement (the "Agreement") with MCorp Financial, Inc., a Delaware corporation and a debtor-in-possession under Chapter 11 of the Bankruptcy Code of 1978 ("MCorp"), pursuant to which MCorp has agreed to sell 4.9% of the Common Stock of the Bank (the "Stock") to the Bank as an intermediary for shareholders of the Bank.

Among other conditions precedent to the closing are the entry of an order by the United States Bankruptcy Court for the Southern District of Texas -- Houston Division ("Bankruptcy Court"). The Bankruptcy Court entered such an approval order on December 8, 1992. It is anticipated that the sale will take place pursuant to the Bankruptcy Court's approval order.

You noted that, although MCorp is not a trustee in Bankruptcy as such, pursuant to Section 1107(a) of the Bankruptcy Code, MCorp generally has the rights, powers, and duties of a trustee by virtue of its status as a debtor-in-possession.

Based upon the foregoing understanding, the staff of the State Securities Board will recommend no action to require registration of the Stock of the Bank to be sold in connection with the

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Agreement and pursuant to the Bankruptcy Court's approval order as described above.

Please note that this Agency has not made an independent investigation of the facts, but has relied solely upon the information you have provided. If this information is incorrect or changes substantially, the staff would reconsider the matter and the no-action position stated above would be void.

I trust this information answers your inquiry. Please feel free to write us if you need further information.

Very truly yours,

RICHARD D. LATHAM
Securities Commissioner

Denise Voigt Crawford
General Counsel

DVC:jak