



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

September 6, 1984

Mr. James H. Fudge, Vice President  
Mercantile National Bank at Dallas  
Main at Ervay  
P.O. Box 225415  
Dallas, Texas 75265

RE: AOR 1984-44

Dear Mr. Fudge:

This refers to your letter dated August 20, 1984, requesting an advisory opinion on behalf of the Mercantile National Bank at Dallas Political Action Committee concerning application of the Federal Election Campaign Act of 1971, as amended, to the proposed merger of Mercantile with Southwest Bancshares and the effect of this merger on contribution limits for the political action committees of each corporation.

As you know, a request for an advisory opinion must include a complete description of all relevant facts pertaining to the request. 11 C.F.R. § 112.1(c). A preliminary review of your letter indicates a need for additional factual information.

- (1) On what date will the merger you describe become effective?
- (2) Will the existing corporations be dissolved and a new corporate entity be created, or will one corporation continue to exist which will purchase and assume the assets and liabilities of the other?
- (3) In addition to those reported in its July 1984 report to the Commission, does the Mercantile National Bank Political Action Committee plan to make other contributions to candidates for Federal office prior to the effective date of the merger? Please describe such plans, if any.

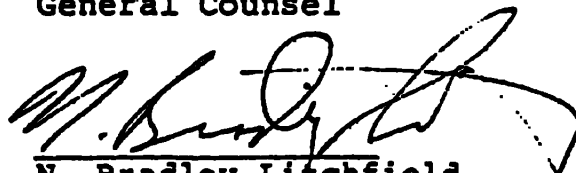
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In view of your statement that you have determined that an opinion is no longer needed, your December 10 letter is regarded as a withdrawal of the subject AOR 1984-44. Although your opinion request has been withdrawn and will not be answered, the contributions and other circumstances as described in your letters may require further review by this office and other divisions of the Commission. If any action on this matter is necessary, the Commission will contact you at a later date.

Very truly yours,

Charles N. Steele  
General Counsel

by:

A handwritten signature in black ink, appearing to read "N. Bradley Litchfield", written over a horizontal line.

N. Bradley Litchfield  
Assistant General Counsel

James H. Fudge  
Vice President

December 10, 1984

Office of the General Counsel  
Federal Election Commission  
1325 K. Street N. W.  
Washington, D. C. 20463

Attn: N. Bradley Litchfield, Asst. General Counsel

Dear Sir:

Effective October 10, 1984, Mercantile Texas Corporation of Dallas, Texas merged with Southwest Bancshares Corporation of Houston, Texas. The resulting company will operate under the name MCorp. Mercantile Texas Corporation purchased and assumed the assets and liabilities of Southwest Bancshares Corporation.

The newly formed MCorp has the following Federal PAC's:

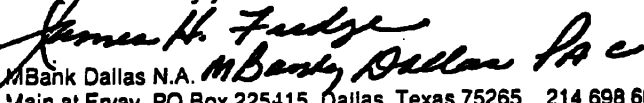
MBank, Dallas PAC  
MBank, Austin PAC  
Mbank, El Paso PAC  
MBank, Waco PAC  
MBank, Capital Bank, Houston PAC  
MBank, wichita Falls PAC  
MBank, Houston ( formerly Southwest Bancshares PAC )

On August 20, 1984 we wrote your office inquiring about the possible need for an Advisory Opinion relative to the PAC's in the new organization and their position in regard to contribution limits to candidates prior to the merger and the path they should follow subsequent to the merger regarding further contributions to candidates where support had already been given by the previously existing Corporations. We no longer feel such an opinion is needed since the following steps have been taken to prevent exceeding limits subsequent to the merger.

Effective August 20, 1984, all PACs in Mercantile Texas Corporation and Southwest Bancshares were instructed to not make any further contributions to candidates where we felt the possibility of both companies having reached contribution limits to any one candidate or where after the merger our combined contributions would reach or exceed the limit . We had only two areas where this might be a problem; Phil Gramm and "Victory 84".

At present MCorp has not made a decision relative to the future of existing PACs.

Respectfully,

  
MBank Dallas N.A. *MBank Dallas PAC*  
Main at Ervay, PO Box 225415, Dallas, Texas 75265 214 698 6000  
Member: MCorp