

Interview Date: March 30, 2006
Interviewer: Steve Kite
Subject: **Bill Harris**
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Written Summary: Andi Holland

:16 My parents moved back to Oklahoma when I was entering the fifth grade. I was born in Golden, Colorado. They were originally from Oklahoma City. He was in the newspaper business then in the theater business. We were in Lincoln, Arkansas the first through the fourth grade.

1:40 My parents went to school in Bolder after attending OU and my dad worked in newspaper. They got married in Oklahoma City then lived in Bolder then Clovis, New Mexico then Yakima, Washington, then Boise, Idaho, then Tulsa, then Lincoln, then to Oklahoma City by the time I was in the fifth grade. My dad was a newspaper reporter and photographer. Then he got out of journalism and bought a theater in Arkansas and a second one in Prairie Grove, Arkansas. My brother was born in Prairie Grove and another brother born in Yakima and a sister born in Tulsa. The family developed across the nation. My dad decided in the early 50s when television was being developed that eventually it would overtake theaters so he sold both theaters and we moved back to Oklahoma City. As a child we drove to Westville, Oklahoma to pick up the films for the theaters. It was on the Arkansas/Oklahoma state line.

5:55 My grandparents and uncle lived in Oklahoma City. My grandfather was an investor and in the banking industry. He was one of the founders of the Liberty National Bank in Oklahoma City. He was also a non-practicing attorney and used his knowledge in business and in personal investments. My grandfather was V.V. Harris and my father was V.V. Harris, Jr. My grandparents encouraged my dad to move back to Oklahoma City. Dad got into personal investments and owned duplexes and a motel on SW 29th, the Airline Motel. He had real estate investments and stocks and bonds.

9:20 I was born on March 8, 1942. I grew up in Oklahoma City and went to grade school at Wilson and Junior High and High School at Harding. I have fond memories of Oklahoma City. There is a lot more traffic now. They've done a real good job going through a time of re-development. They've done a great job with downtown and Bricktown. They will richly reap the benefits.

11:00 I started my banking career at the gold dome bank, Citizen's National in 1963. I was married and had a son and needed a job and I was still going to college at OCU. I applied to the bank and Mr. Horton; the president gave me a job. I was there four years. One day the bank examiners were there and I just happened to asked one of them how to become one. I happened to ask the head bank examiner. He told me I would have to take a test. He told me the person in charge of Oklahoma would be in town that evening and he would see if the man would interview me. They needed examiners. The man met with me and I took the test. The next day they told me if I wanted to be an examiner based on a clear background check that I needed to give a two weeks notice. I became a

trainee for six months. Then two years later in 1967 I took the commissioner test. When I became an examiner I was studying for pre-law. I had started out studying math and physics then changed to pre-law thinking I wanted to go into the FBI. I had sent in paperwork to the FBI. The day after I committed to being a bank examiner I was notified from the FBI that they wanted me. I stayed with the bank examiners. Both would have been good careers. There are no disappointments, no regrets. I've enjoyed my career and my family.

18:02 Citizen's Bank was a unique design. I went to church two blocks from there and I'm very familiar with that part of Oklahoma City. Beverly's was right across the street.

19:45 Lew Meibergen was the president of First National Bank of Enid. I had examined his bank twice. My wife was his secretary. I had gotten divorced in 1967 and I met Pat in 1973. Lew used to be with Liberty National in Oklahoma City. Lew, being from Enid he was known and lived by the Champlin's. He was the president when I examined the bank in 1973 and in 1975. Bud Champlin was Chairman of the Board. Pat and I got married in 1974. We moved to Oklahoma City for a year. Lew called and asked if I would come to work at First National as the comptroller. As an examiner they wanted to transfer me to the Dallas office. I was traveling all the time. The banks I was examining were problem banks and I was spending 10-15 weeks at each bank. At one time we spent 13-18 weeks at one bank. We kept them open too. A few banks were covering up then. There were two or three problem banks around the state because of mismanagement. They were trying to dig out by covering up. How I was received depended on the condition and management. They have changed the process considerably. Now there is a stand away relationship probably because of what we went through in the late 70s and early 80s. If you have rules then you should be able to have a relationship.

29:18 I came to Enid as comptroller in 1975. Pat's sister, Colleen became Lew's secretary when we moved to Oklahoma City. When I came in First National had had a defalcation by an executive officer. I came in as comptroller. I then moved into loans as executive vice president pretty quickly, within a year. Defalcation – misuse of funds or embezzlement.

32:20 During the boom all the banks saw an increase in business. Lots of loan demand – too much. Wish we all would have done things differently including the FDIC. They could have infused capital into a lot more community banks. There were situations where they could have made guarantees under restrictions that would have allowed many of the banks to survive. Many of the banks needed to close. When I left the banking business I was approached by local investors to bid on bank assets. The first bank loans we bid on and bought were First National Enid loans. It was the only one in the nation that they sold on site and not at a FDIC office. Having worked it and having been a part of First National I knew a lot about the loans there. They take a look at all the loans and group the like type loans together. They package those up to an amount like \$1 million, which would represent maybe 25 outstanding loans. They advertise to sell the package to the highest bidder by sealed bid. You have to be a qualified bidder and put up earnest requirements. Say it was \$1 million we would maybe bid \$350,000 and if we were the

high bidder we'd get the package and start collecting on those loans. The FDIC gets the bid price and you make your money on future earnings. You incur the legal expenses and liabilities that go along with holding the loan.

43:22 I was diagnosed with MS in 1983. We as a bank had a holding company. We had acquired the Community National Bank of Enid when it failed and the Fairview State Bank when it failed. We brought in some of the employees and officers. We brought in Robert McLaughlin, an executive officer and we retained him at First National as Executive Vice-President and Ken Ferguson was retained after we let Tom Orr go who went to Penn Square Bank. First National closed in 1986. Penn Square closed in 1982. Penn Square was the beginning of the downturn. The oil play was building during that period.

46:46 I quit in February 1986. There was kind of a power struggle going on. Bud Champlin was too much of a friend of mine going through tough times. I didn't want to quit but had to from a health standpoint and friendship standpoint and the bank had its troubled loans but all the banks had trouble. First National, Security National, Central National, Community had already failed. First National wasn't a bank that should have been closed in my mind. I think the FDIC just put Bud Champlin in their sites and shot.

49:20 I think as a bidder and buyer of some of those loans our group made money and helped several of the people. There were outside people that didn't know the people who just wanted to collect the quick dollar and run. Character has a lot to do with credit. That makes a lot of difference. Character, capacity and credit capacity – the ability to make the payment.

51:45 Doing the bidding work allowed me and my family to stay in Enid. I like the community compared to the largeness of Oklahoma City. I moved her to Enid because my wife was from Ames, 20 miles west of here. Her mother and father lived there and were elderly. Enid is a wonderful city and wonderful to my children. My son was born in Oklahoma City. I adopted my wife's daughter so we have a split family but they grew together and grew to love Enid and wanted to stay here. The loans didn't hurt.

55:50 During the bust time there were a lot of foreclosures. A lot of businesses were under pressure. The economy was under pressure. When First National closed it really hit the community in the mouth. It shocked the community, shocked everybody. Nobody thought that any of the banks would or should have closed. That can't be changed; we can't dwell on the past. We kept the relational ties because we respected each other. If there had been wrong doings it would have been different but it was economics. I don't know of any friendships that have been cut. In some of the purchase packages there were some friend loans that I had to collect on. No different than if it was a banker.

61:00 Tom Orr was an officer when he was at the bank. I let him go. He was then employed by Penn Square Bank. Research will show he was devastating to Penn Square

Bank. They didn't contact us before hiring him. If they would have banking history might be different.

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