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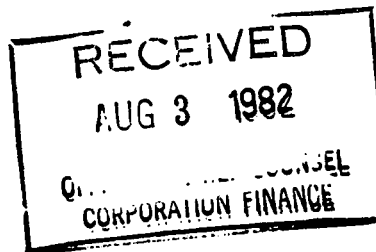
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July 28, 1982

Securities and Exchange Commission
Washington, D.C. 20549

Attention: Peter Romeo, Esquire
Division of Corporation -
Finance

RECEIVED IN BR 1

ON AUG 5 1982

Re: Gold Coast Bancshares, Inc. -
Exchange offer for shares of
Bank of South Palm Beaches -
Our File # 20980-KC

Dear Sirs:

Reference is made to the intrastate exemption afforded by §3(a)(11) of the Securities Act of 1933, as amended, (the "Securities Act") and to the interpretations thereof by the Commission in particular, Control Awnings, Inc., May 5, 1973 and Fair Valley Properties No. 2, May 4, 1981.

We represent Gold Coast Bancshares, Inc., a Florida corporation (the "Holding Company"), which was recently organized by the directors of Bank of South Palm Beaches, a Florida banking corporation (the "Bank") for the sole purpose of qualifying as a bank holding company and then making a one for one exchange offer fully registered with the Florida Division of Securities to approximately 190 of its shareholders who are bona fide residents of Florida.

Approximately 14 of its shareholders who have addresses

Securities and Exchange Commission
Our File # 20980-KC
July 28, 1982
Page Two

outside of Florida will be excluded from the offering. However, a former director of Bank of South Palm Beaches died recently and left a substantial holding of his Bank stock registered in the name of a trust company in West Virginia for the life benefit of his wife who is a bona fide resident of Florida. In the event of her death the corpus of the trust would be distributed to her three children two of whom are bona fide residents of Florida and one of whom is not. One of the Florida resident children is a director of the Holding Company and the Bank.

From Control Awnings, Inc., cited above, it appears clear that a Florida trust could not be created for out of state beneficiaries for that would circumvent §3(a)(11) of the Securities Act. From Fair Valley Properties No. 2 cited above, it also appears clear that an offering to an out of state Trustee for bona fide residents of the state in which the offering is to be made does not constitute a violation of the intrastate exemption.

Relying on the reasoning of the Control Awnings and Fair Valley letters, it is our opinion that the offering in the instant case to an out of state Trustee of shares of the Holding Company for exchange on a share for share basis for shares of the Bank, where the life beneficiary of the trust is a bona fide Florida resident and widow of former director of the Bank and whose son is presently a director of both the Bank and issuer Holding Company and is a Florida resident, and where none of the children have a vested remainder under the terms of the trust, falls within the exemption.

The purpose of the exemption, as stated in Control Awnings, is to restrict the offering to persons within the same locality as the issuer who are likely to be protected by the proximity to the issuer and by state law. This we believe fits the widow's case. She is the life beneficiary in the trust, she is a resident of the state in which the offering is to be made and she has close proximity to the issuer through being represented by her son on its Board of Directors.

We would appreciate your advising us that the Securities and

Securities and Exchange Commission
Our File # 20980-KC
July 28, 1982
Page Three

Exchange Commission would take "no action" on the exchange of Holding Company shares for Bank shares with the trust company.

Sincerely yours,



KARL CONNELL

KC/yas