

*Quarterly
Journal*

RECENT LICENSING
DECISIONS

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Cases Published during April, May, and June 2005

CRA Decisions

On April 25, 2005, the OCC conditionally approved the application to combine Riggs Bank National Association, McLean, VA, with PNC Bank, National Association, Pittsburgh, PA. The OCC received comments from one community organization expressing Community Reinvestment Act (CRA) concerns. Based on both banks' "outstanding" rating in their latest CRA public evaluations and other analyses and information considered, the OCC found approval consistent with the CRA. [Conditional Approval No. 687]

Change in Bank Control

On March 4, 2005, the OCC did not disapprove Change in Bank Control Notices filed in connection with the proposed acquisition of First National Bank of Marin, Las Vegas, NV (collectively, "notices"), by Sherman Financial Group LLC, Radian Group, Inc., and MGIC Investment Corporation. The OCC's action is expressly conditioned on compliance with the agreement made in connection with these notices between Sherman Financial Group LLC and the OCC dated February 25, 2005, which agreement may be enforced under 12 USC 1818. [Corporate Decision No. 2005-01]

Mergers

On April 11, 2005, the OCC conditionally approved the application to establish Atlantic Trust, National Association, Chicago, IL (Interim Bank), and the subsequent merger of Atlantic Trust Company, National Association, Boston, MA, and Atlantic Trust Co., National Association, District of Columbia, into Atlantic Trust, National Association ("bank"), under the charter number of the latter and with the title of "Atlantic Trust, National Association." This conditional approval was subject to several conditions including within 30 days after consummating the mergers, the board of directors of the bank shall execute a formal agreement with the OCC, the terms of which shall be subject to the OCC's discretion. [Conditional Approval No. 685]

Operating Subsidiaries

On March 24, 2005, the OCC approved the application by JPMorgan Chase Bank, National Association, New York, NY (“bank”), to acquire Vastera, Inc. (“Vastera”) as an operating subsidiary of the bank. Vastera provides global trade management services. The OCC found that the activities performed by Vastera are part of the business of banking or incidental to the business of banking under 12 USC 24(Seventh) and the bank’s systems and controls are sufficient to enable it to conduct the activities in a safe and sound manner. [Corporate Decision No. 2005-02]

Capital

On April 7, 2005, the OCC conditionally approved the application by First National Bank of Mayfield, Mayfield, KY (“bank”), to elect corporate governance provisions of Kentucky law and complete a reverse stock split in accordance with those provisions. This represents the first OCC approval of a reverse stock split conducted under Kentucky corporate governance procedures. This approval was subject to condition requiring the bank: to elect the corporate governance provisions of Kentucky law, provide for dissenters’ rights comparable to those found in relevant statutes, pay the cost of any appraisal that may occur if any shareholders dissent, and pay for binding arbitration by an independent third party to appraise the stock if the appropriate court(s) decline to accept jurisdiction of an appraisal action. [Conditional Approval No. 683]