

RECENT LICENSING DECISIONS

Change in Bank Control

On September 2, 2003, the OCC issued a statement concerning the OCC's disapproval of the Change in Bank Control notice by CompuCredit Corporation to acquire control of Axsys National Bank, Sioux Falls, South Dakota. This acquisition by a subprime credit card lender contained several adverse factors leading to its disapproval. The OCC concluded that the financial condition of the acquiring party was such as it might jeopardize the financial stability of the bank or prejudice the interests of the depositors of the bank; the competence and/or experience of the acquiring party indicated that it would not be in the interests of the depositors of the bank, or in the interest of the public, to permit the party to control the bank, and the proposed acquisition could result in an adverse effect on the FDIC's Bank Insurance Fund. [Corporate Decision No. 2003-11]

Federal Branches

On July 17, 2003, the OCC granted conditional approval to a proposal by CITIC Ka Wah Bank Ltd, Hong Kong, to establish a de novo uninsured federal branch in New York, New York, and acquire and established an uninsured limited federal branch in Alhambra, California, all owned by China International Trust and Investment Corporation. Approval was granted subject to conditions involving consent to jurisdiction, access to information, and a requirement to provide notice to OCC for any significant deviation or change in the branches business plans. [Conditional Approval No. 600]

Mergers

On August 8, 2003, the OCC conditionally approved the purchase and assumption of credit card accounts of Granite National Bank, Bowling Green, Ohio, by World Financial Network National Bank, Gahanna, Ohio. The application was conditioned upon the bank entering into an operating agreement with the OCC, on terms and conditions acceptable to the OCC. The agreement requires the bank to maintain minimum levels of capital and liquidity to support its continuing safe operation. Also, as part of the application, Granite committed to enter into voluntary liquidation immediately upon consummation of the transaction. [Conditional Approval No. 602]

On September 5, 2003, the OCC conditionally approved the merger of Eagle National Bank, Upper Darby, Pennsylvania, with and into an interim bank, Eagle Interim Bank, National Associa-

tion, Upper Darby, Pennsylvania, to facilitate the acquisition of Eagle by Pebblespring Holding Company, Berwyn, Pennsylvania. Eagle was operating under a Consent Order dated December 18, 2001. The Consent Order ceased to be applicable upon consummation of this merger. Accordingly, the approval was conditioned upon multiple requirements to support the safe operation of the bank, consistent with the requirements that had been imposed by the prior Consent Order. [Conditional Approval No. 604]

Significant Deviation to Operating Plan

On August 7, 2003, the OCC New England Field Office conditionally approved a request by FBR National Bank & Trust, Bethesda, Maryland, to divest certain assets and deposit liabilities and to operate as a limited purpose insured national trust bank. This change represented a material deviation from the bank's operating plan as submitted to the OCC in connection with the bank's conversion to national charter in March 2001. The conditions of approval supported the continued safe operation of the bank by requiring a minimum capital level, a capital and liquidity maintenance agreement between the bank and its parent, retention of federal deposit insurance, and a comprehensive business plan. [Conditional Approval No. 603]