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**Comptroller of the Currency  
Administrator of National Banks**

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Washington, D.C. 20219

**Corporate Decision #2009-04  
May 2009**

May 1, 2009

Mr. Mitchell L. Glassman  
Director, Division of Resolutions and Receiverships  
Federal Deposit Insurance Corporation  
550 17th Street, N.W.  
Washington, D.C. 20429

Subject: Application to Charter Silverton Bridge Bank, National Association  
Charter Number: 24943  
Application Control Number: 2009-ML-01-0004

Dear Mr. Glassman:

The Office of the Comptroller of the Currency (“OCC”) hereby approves the Federal Deposit Insurance Corporation’s (“FDIC”) application to charter a bridge bank, pursuant to 12 U.S.C. § 1821(n), in connection with the receivership of Silverton Bank, National Association, Atlanta, Georgia (“Silverton”). The proposed title of the bridge bank is Silverton Bridge Bank, National Association (“Bridge Bank”). The FDIC may commence the operations of Bridge Bank immediately upon receipt of this letter. We will forward you a charter certificate under separate cover.

The FDIC previously was advised that the OCC may close Silverton and appoint the FDIC as Receiver under 12 U.S.C. §§ 191 and 1821(c)(2)(A)(ii). On April 23, 2009, by Resolution of the Board of Directors of the FDIC bearing Seal Number 076703, dated April 23, 2009, the Director for the Division of Resolutions and Receiverships (“Director DRR”), or designee, was authorized, among other things, at his discretion to form a bridge bank pursuant to 12 U.S.C. § 1821(n) for the resolution of Silverton, in the event that Silverton was closed. On May 1, 2009, the FDIC was appointed receiver for Silverton by the OCC.

The Director DRR determined that the least cost resolution for the FDIC as receiver for Silverton included forming a newly chartered bridge bank to purchase and assume certain assets and liabilities from Silverton and for the FDIC to operate Bridge Bank until the FDIC has determined

how to resolve the assets and liabilities transferred to the Bridge Bank.<sup>1</sup> The materials provided by the FDIC also meet the general organizational requirements for bridge banks (such as execution of the bank's articles of association, organization certificate, and bylaws, and identification of interim directors). Accordingly, the statutory requirements for the chartering of a bridge bank have been met.<sup>2</sup> The OCC understands that Bridge Bank will enter into a purchase and assumption agreement with the FDIC in its role as the receiver for Silverton.<sup>3</sup>

The OCC poses no objection to the five individuals identified in the application materials serving as directors of Bridge Bank as proposed in the application.<sup>4</sup> Once the Board has elected a chairperson and chief executive officer of Bridge Bank, the Bridge Bank and FDIC must provide the OCC with the name and contact information for the proposed individual(s).<sup>5</sup> The OCC, at the request of the FDIC, is waiving the requirements for Bridge Bank to secure a fidelity bond.<sup>6</sup>

The requirements of provisions of law relating to the capital of a national bank do not apply with respect to a bridge bank.<sup>7</sup> For supervisory purposes, the Bridge Bank will be deemed to have capital of an amount equal to six percent (6%) of Bridge Bank's average total assets for purposes of statutes, regulations, or supervisory guidance that use capital levels in setting requirements. The OCC has determined that Bridge Bank's lending limit should be established as an amount equal to fifteen percent (15%) of six percent (6%) of Bridge Bank's average total assets.<sup>8</sup>

Under the provisions contained in 12 U.S.C. § 1821(n), the FDIC, as receiver, may at any time after a charter is granted to a bridge bank transfer any assets and liabilities of an insured bank in default to the bridge bank. If the FDIC, in its discretion, decides to transfer the assets and liabilities of an insured bank in default into Bridge Bank, it must inform the OCC of the transfer and provide appropriate information on the branches, if any, of the insured bank in default so that the OCC can properly track the branch offices of Bridge Bank.

As provided for in 12 U.S.C. § 1821(n), Bridge Bank will terminate its operations within two years of the granting of this charter unless the Board of Directors of the FDIC, in its discretion,

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<sup>1</sup> See Letter from FDIC Special Issues Unit to OCC Licensing (dated May 1, 2009) (transmitting application and organizational documents for Bridge Bank).

<sup>2</sup> See 12 U.S.C. § 1821(n)(1) & (2).

<sup>3</sup> See 12 U.S.C. § 1821(n)(3).

<sup>4</sup> Pursuant to the FDI Act, the FDIC also has waived the requirements of 12 U.S.C. §§ 71, 71a, 72, 73, 74 and 75 pertaining to the directors of Bridge Bank. See 12 U.S.C. § 1821(n)(4)(A)(iii).

<sup>5</sup> See 12 U.S.C. § 1821(n)(4)(E).

<sup>6</sup> See 12 U.S.C. § 1821(n)(4)(G).

<sup>7</sup> See 12 U.S.C. § 1821(n)(4)(C).

<sup>8</sup> A national bank's loans to one borrower are limited to an amount that does not exceed "15 per centum of the unimpaired capital and unimpaired surplus of the association." 12 U.S.C. § 84(a)(1). The OCC is authorized to set a limit for a bridge bank without regard to capital and surplus. 12 U.S.C. § 1821(n)(4)(D). In the absence of circumstances requiring a different limit, the OCC set the limit for Bridge Bank at a level comparable to other national banks (*i.e.*, 15 percent of 6 percent of Bridge Bank's average total assets).

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extends the status of Bridge Bank for up to 3 additional 1-year periods.<sup>9</sup> Bridge Bank and the FDIC must provide the OCC with adequate notice prior to termination.

All correspondence regarding this application should reference the application control number. If you have any questions, contact Large Bank Licensing Expert Stephen Lybarger at (202) 874-5294 or by e-mail at [Stephen.Lybarger@occ.treas.gov](mailto:Stephen.Lybarger@occ.treas.gov)

Sincerely,

*signed*

Lawrence E. Beard  
Deputy Comptroller, Licensing

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<sup>9</sup> See 12 U.S.C. § 1821(n)(9). Bridge Bank's status as a bridge bank may also be terminated by merger or consolidation with another depository institution, sale of stock, or a purchase and assumption transaction with another depository institution. See generally 12 U.S.C. § 1821(n)(10), (11) & (12).