



Comptroller of the Currency
Administrator of National Banks

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July 22, 2010

**Conditional Approval #963
August 2010**

Mr. Joao L. Raimundo
Chief Executive Officer & Vice Chairman
Millennium bcpbank, N.A.
255 Lafayette Street
Newark, New Jersey 07015

Re: Disposition of Substantially all the Assets of Millennium bcpbank, National Association, Newark, New Jersey via a Purchase and Assumption with Investors Savings Bank, Short Hills, New Jersey
OCC Control No.: 2010 NE 12 0120

Merger of Millennium bcpbank, National Association, Newark, New Jersey, with and into BCP Holdings (USA), Inc., Newark, New Jersey
OCC Control No: 2010 NE 12 0122

Dear Mr. Raimundo:

The Office of the Comptroller of Currency (“OCC”) hereby conditionally approves the above referenced applications.

The Transactions

These applications are part of a series of transactions in which certain assets of Millennium bcpbank, N.A., Newark, New Jersey (“Millennium”) will be sold to, and certain liabilities will be assumed by, Investors Savings Bank, Short Hills, New Jersey (“Investors”). Shortly thereafter the charter of Millennium will be terminated. Millennium is wholly-owned by BCP Holdings (USA), Inc., a Delaware corporation (“BCP Holdings”), which in turn is wholly-owned by Banco Comercial Portugues, S.A., Lisbon, Portugal. As proposed, the following events will occur in sequence on the same business day:

1. Millennium will transfer substantially all of its assets and all of its insured deposits to Investors in a purchase and assumption transaction.¹

¹ Upon consummation of the purchase and assumption and notification to the Federal Deposit Insurance Corporation of the transfer of all insured deposits from Millennium to Investors, Millennium will no longer be FDIC insured

2. Millennium will merge with and into BCP Holdings, thereby terminating Millennium's charter.

Discussion

A. Fundamental Change in Asset Composition

Millennium applied to the OCC for prior approval of a fundamental change in its asset composition under 12 C.F.R. § 5.53. Under section 5.53(c)(1)(i), a national bank must obtain prior written approval of the OCC before changing the composition of all, or substantially all, of its assets through sales or other dispositions. In the purchase and assumption transaction with Investors, Millennium will sell all its deposits and substantially all of its assets.

The principal purpose of adopting 12 C.F.R. § 5.53 was to address supervisory concerns raised by so called "dormant" bank charters by providing the OCC with regulatory oversight and a means to monitor them. Following the change in asset composition, Millennium plans to merge into its parent BCP Holdings, a nonbank affiliate. Thus, OCC concerns over the continuation of "dormant" charters are addressed, and so the OCC hereby approves Millennium's application, and the approval is consistent with the language and purpose of section 5.53.

B. Merger of Millennium with and into BCP Holdings

In this merger, Millennium will merge into its parent, BCP Holdings. BCP Holdings will be the surviving entity, and Millennium will cease to exist.

The merger is authorized under 12 U.S.C. § 215a-3. Section 215a-3 authorizes a national bank to merge with a nonbank subsidiary or affiliate: "Upon the approval of the Comptroller, a national bank may merge with one or more of its nonbank subsidiaries or affiliates." 12 U.S.C. § 215a-3(a), as added by section 1206 of the Financial Regulatory Relief and Economic Efficiency Act of 2000 (Title XII of the American Homeownership and Economic Opportunity Act of 2000), Pub. L. No. 106-569, 114 Stat. 2944, 3034 (December 27, 2000).

The statute does not limit its scope to mergers in which the national bank is the surviving entity, and so a merger *into* a nonbank affiliate is within its scope. The OCC's implementing regulation, discussed below, expressly provides for the merger of a national bank into a nonbank affiliate. *See* 12 C.F.R. § 5.33(g)(5). However, the regulation limits these transactions to mergers involving a national bank that is not an insured bank. *Id.* Following the acquisition of all of its insured deposits, Millennium will not be an insured bank at the time of the merger with BCP Holdings.

pursuant to 12 U.S.C. § 1818(q) and 12 C.F.R. § 307.2. Investors' participation in the purchase and assumption is subject to a separate approval by the FDIC, pursuant to the Bank Merger Act, 12 U.S.C. § 1828(c).

The OCC's regulations implementing 12 U.S.C. § 215a-3 set out substantive and procedural requirements for the merger of an uninsured national bank with its nonbank affiliate in which the nonbank affiliate is the resulting entity. *See* 12 C.F.R. § 5.33(g)(5). The regulation requires that the law of the state or other jurisdiction under which the nonbank affiliate is organized allow the nonbank affiliate to engage in such mergers. The regulation also imposes the following additional requirements that: (1) the bank comply with the procedures of 12 U.S.C. § 214a as if it were merging into a state bank, (2) the nonbank affiliate follow the procedures for mergers of the law of its state of organization, and (3) shareholders of the national bank who dissent from the merger have the dissenters' rights set out in 12 U.S.C. § 214a. The regulation also provides that the OCC shall consider the purpose of the transaction, its impact on the safety and soundness of the bank, and any effect on the bank's customers, and may deny a merger if it would have a negative effect in any such respect.

The OCC reviewed the proposed merger of Millennium into BCP Holdings and found that all requirements were satisfied. The OCC hereby approves the merger of Millennium into BCP Holdings, subject to the following condition.

Condition

These approvals are subject to the following condition:

If the merger of Millennium with and into BCP Holdings does not occur within seven (7) calendar days after the sale of substantially all of Millennium's assets to Investors, Millennium shall immediately notify the OCC and submit a plan acceptable to the OCC to wind up its affairs and terminate its status as a national bank.

This condition of approval is a "condition imposed in writing by a Federal banking agency in connection with any action on any application, notice, or other request" within the meaning of 12 U.S.C. § 1818. As such, the condition is enforceable under 12 U.S.C. § 1818.

Conclusion

Accordingly, the OCC approves Millennium's applications for a fundamental change in asset composition, and for the merger of Millennium into BCP Holdings. These approvals are subject to the condition set out above. This conditional approval is also granted based on the information and representations made in the application. In particular, the approvals are based on Millennium's representation that the merger will occur shortly after the purchase and assumption transaction and the termination of Millennium's status as an insured bank.

The OCC will not issue a letter certifying the consummation of the transactions until we have received:

1. Written confirmation that Millennium is no longer FDIC insured.
2. Millennium's Charter Certificate and certification that all OCC Reports of Examination, and any other OCC documents in the possession of Millennium have been returned to the OCC, or destroyed.
3. A copy of the final Certificate of Merger filed with the Delaware Secretary of State.

These conditional approvals, and the activities and communications by OCC employees in connection with the filing, do not constitute a contract, express or implied, or any other obligation binding upon the OCC, the United States., any agency or entity of the United States, or any officer or employee of the United States, and do not affect the ability of the OCC to exercise its supervisory, regulatory and examination authorities under applicable law and regulations. Our approval is based on the bank's representations, submissions, and information available to the OCC as of this date. The OCC may modify, suspend or rescind this approval if a material change in the information on which the OCC relied occurs prior to the date of the transaction to which this decision pertains. The foregoing may not be waived or modified by any employee or agent of the OCC or the United States.

A separate letter is enclosed requesting your feedback on how we handled your application. We would appreciate your response so we may improve our service.

If you have any questions, contact Licensing Analyst Wai-Fan Chang at (212) 790-4055. Please include the OCC's control numbers on any correspondence.

Sincerely,

Beverly Evans

Beverly Evans

Director for Licensing Activities

Enclosure: Survey