



Comptroller of the Currency
Administrator of National Banks

Washington, DC 20219

CRA Decision #103
March 2000

February 1, 2000

Mr. William D. Templeton
Senior Counsel
Legal Department
Fleet Boston Corporation
Mail Stop: RI MO F18C
50 Kennedy Plaza
Providence, Rhode Island 02903

Re: Merger of Fleet National Bank, Fleet Bank of Maine, Fleet Bank-NH, Fleet Bank, N.A., Fleet Bank, F.S.B., Fleet Trust and Investment Services Company, N.A., and Bank of Boston-Florida, N.A. into and under the charter of BankBoston, N.A. with the resulting bank adopting the title and head office location of Fleet National Bank Application Control Number: 1999-ML-02-0032

Dear Mr. Templeton:

This is to inform you that on February 1, 2000, the Office of the Comptroller of the Currency (OCC) approved the captioned application. This approval was granted based on a thorough review of all information available, including commitments and representations made in the applications and the merger agreements and by the bank's representatives.

The transaction, as detailed below, is legally permissible under national banking law. Fleet National Bank, Providence, Rhode Island, ("FNB") and BankBoston, National Association, Boston Massachusetts, ("BKB") will merge FNB into BKB under BKB's charter under 12 U.S.C. §§ 215a-1, 1828(c) and 1831u. The resulting bank will be named "Fleet National Bank" ("FNB-Resulting) and will have its main office in Providence, Rhode Island. FNB-Resulting is authorized to retain FNB's main office in Providence, Rhode Island, as the main office of the resulting bank under 12 U.S.C. § 1831u(d)(1) and to retain FNB's branches and BKB's main office and branches, as branches after the merger under 12 U.S.C. §§ 36(d) and 1831u(d)(1). After the merger of FNB and BKB, Bank of Boston-Florida, National Association, Boca Raton, Florida ("BKB-Florida"), Fleet Bank-NH, Manchester, New Hampshire, Fleet Bank, National Association, Jersey City, New Jersey, and Fleet Bank of Maine, Portland, Maine will merge into FNB-Resulting under the charter and title of the latter

under 12 U.S.C. § 215a-1, 1828(c), and 1831u (the “Other Interstate Bank Mergers”). FNB-Resulting will retain FNB-Resulting’s main office as the main office of the resulting bank under 12 U.S.C. § 1831u(d)(1) and will retain as branches both FNB-Resulting’s branches and the main office and branches of each of these merging banks, as branches after the merger under 12 U.S.C. §§ 36(d) and 1831u(d)(1). Fleet Trust and Investment Services Company, National Association, Stuart, Florida will also merge into FNB-Resulting immediately after the merger of BKB-Florida into FNB-Resulting under 12 U.S.C. 215a. Lastly, following the merger of the Other Interstate Bank Mergers, Fleet Bank, F.S.B., Boca Raton, Florida (“Fleet-FSB”), a federal savings bank, will merge with and into FNB-Resulting, under 12 U.S.C. §§ 215c, 1815(d)(3), and 1828(c). FNB-Resulting will retain and operate Fleet-FSB’s main office and branches as branches after the merger under 12 U.S.C. 36(c).

At the time of the Federal Reserve Board filing for the merger of Fleet Financial Group, Inc. and BankBoston Corporation, the OCC received three comment letters expressing general concerns with the competitive impact of the merger, potential for branch closings, and Community Reinvestment Act (“CRA”) performance of the banks. Inasmuch as the OCC did not have a related bank merger application pending at that time, those comments were forwarded to the Federal Reserve Board for consideration during its review of the holding company merger application. After taking into consideration comments from 344 individuals and organizations, and considering the potential competitive effects, the Federal Reserve Board approved the holding company merger on September 7, 1999. In that decision, the Federal Reserve Board required the divestiture of over 300 Fleet and BankBoston bank branches in Massachusetts, Connecticut, New Hampshire, and Rhode Island. Although the OCC did not receive any comments on your application to merge the banks, the OCC reviewed and investigated the comments received by the Federal Reserve, excluding the competitive-related comments.

Excluding the competitive-related concerns, the primary concerns raised by the commenters related to a decline in the level of Fleet’s lending, lending to minorities and to low- and moderate-income individuals, and the potential for closing branches in low- and moderate-income areas. The latest CRA Performance Evaluation of Fleet National Bank, dated February 23, 1998, used Home Mortgage Disclosure data for 1996 and 1997, the same time-period for which the commenters expressed concerns. Despite a noted decline in the level of lending, the Performance Evaluation concluded that the bank had an overall “high satisfactory” lending performance. In addition, a concurrent fair lending examination of Fleet Mortgage Company was conducted and no violations of the substantive provisions of the antidiscrimination laws and regulations were identified. With regard to branch closings, your application indicated that no branch closings are expected to result from this merger. However, in the event branches are closed in the future, you represented that your branch closing policy calls for consideration of the impact of any branch closing on the convenience and needs of the affected community, including the possibility of contacting community organizations located within that area. Based upon our review and analysis of the issues raised by the commenters, the OCC found approval of the proposed bank merger to be consistent with the Community Reinvestment Act and the Bank Merger Act.

The OCC authorizes the resulting bank, should the proposed transaction occur between Call Report dates, to recalculate the lending limit. The new lending limit should be calculated by using data from the

last Call Report for the individual banks filed before consummating the combination, as adjusted for the combination. The resulting bank will then file a new Call Report and begin calculating its legal lending limit according to 12 C.F.R. 32.4(a) at the end of the quarter following consummation of the combination.

As a reminder, this Office must be advised in writing in advance of the desired effective date for the proposed transactions so that the OCC may issue the necessary certification letter. The effective date of the proposed transaction must follow the applicable Department of Justice injunction period and any other required regulatory approval.

The OCC will issue a letter certifying consummation of the transactions when we have received:

- 1) A secretary's certificate for each institution, certifying that a majority of the board of directors approved.
- 2) An executed merger agreement with Articles of Association for the resulting bank attached.
- 3) A secretary's certificate from each institution, certifying that the shareholder approvals have been obtained, if required.

If the proposed merger is not consummated within one year from the approval date, this approval shall automatically terminate, unless the OCC grants an extension. A separate letter is enclosed requesting your opinion on how we handled your application. We would appreciate your response so we can improve our service.

If you have any questions, please contact Senior Corporate Analyst Cindy L. Hausch-Booth at (202) 874-5060 or email: largebanks@occ.treas.gov.

Sincerely,

/s/

J. Greg Parvin
National Bank Examiner - Licensing Expert