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Comptroller of the Currency  
Administrator of National Banks

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Washington, DC 20219

November 26, 2003

**Corporate Decision #2003-12  
December 2003**

Mr. Ron Claveloux  
Senior Vice President and Associate General Counsel  
Providian Financial Corporation  
201 Mission Street  
San Francisco, California 94105

Re: Application from Providian National Bank, Tilton, New Hampshire to purchase substantially all the assets and assume all of the deposits of Providian Bank, Salt Lake City, Utah; and, application to merge, subsequent to the purchase and assumption transaction, Providian Bank, Salt Lake City, Utah, an affiliated Utah non-bank business corporation with and into Providian National Bank, Tilton, New Hampshire under the authority of 12 U.S.C. § 215a-3.  
Application Control Numbers: 2002-WE-02-0007 and 2003-WE-12-0260

Dear Mr. Claveloux:

This is to inform you that as of the date of this letter the Office of the Comptroller of the Currency (OCC) approved the application from Providian National Bank, Tilton, New Hampshire to purchase substantially all of the assets and assume all the deposits of Providian Bank, Salt Lake City, Utah. In addition, the OCC approved the application to merge, subsequent to the purchase and assumption transaction, the resulting Providian Bank, Salt Lake City, Utah, an affiliated Utah non-bank business corporation with and into Providian National Bank, Tilton, New Hampshire under the authority of 12 U.S.C. § 215a-3. Consummation of the transactions, however, may not occur until certain additional matters are satisfied as set forth below.

The two applications filed with the OCC initiate, and then finalize, a series of transactions that will result in the disappearance of Providian Bank, Salt Lake City, and the continuation of its business by Providian National Bank, Tilton. First, Providian National Bank will acquire substantially all of Providian Bank's business. Having ceased its deposit-taking activities, Providian Bank will have the FDIC cancel its status as an insured depository institution. Providian Bank will then have the state of Utah cancel its authority to act as a depository institution. These steps enable Providian National Bank to acquire the remaining assets of Providian Bank through the § 215a-3 merger, subject to both OCC and FDIC approval.

You are reminded that prior to the merger of Providian Bank, Salt Lake City, Utah with and into Providian National Bank, Tilton New Hampshire you must receive approval from the FDIC and

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state of Utah to terminate Providian Bank's deposit insurance and status as a Utah industrial loan company, respectively.

Providian National Bank has made application with the FDIC to acquire the resulting Providian Bank under 12 U.S.C. § 1828(c). Neither the OCC nor FDIC received any public comments during the public comment period for the purchase and assumption or the 12 U.S.C. § 1828(c) applications. The FDIC has not yet acted on its application.

In addition, consummation may not occur until Providian National Bank provides the Deputy Comptroller for Special Supervision a report, acceptable to the OCC, at least three days prior to the proposed consummation date of the purchase and assumption transaction and the 12 U.S.C. § 215a-3 merger, confirming that the required level of deposits at risk and equity capital on the day of consummation of the two transactions is achieved.

These approvals were granted based on a thorough review of all information available, including commitments and representations made in the application and the merger agreement and those of your representatives.

The OCC reviewed the relevant factors under applicable law and regulation. The OCC found that the transactions between these two affiliated banks will have no impact on competition and that the financial and managerial resources and future prospects of Providian National Bank are consistent with approval.

The convenience and needs of the communities served will not be significantly affected as a result of these transactions. Although Providian Bank will cease to exist, a large number of financial depository institutions operate in Salt Lake City.

The OCC also determined that approval of this transaction was not inconsistent with the Community Reinvestment Act. Each bank's most recent Community Reinvestment Act rating was satisfactory.

In addition, the Bank Merger Act requires the OCC to consider, "...the effectiveness of any insured depository institution involved in the proposed merger transaction in combating money laundering activities, including overseas branches." We have considered this factor and believe the approval of this transaction is consistent with that statutory provision.

As a reminder, the Western District Office must be advised in writing in advance of the desired effective date for the purchase and assumption, and the subsequent merger so that the OCC may issue the necessary certification letter(s). If the transactions are not consummated within one

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year from the approval date, the approval shall automatically terminate, unless the OCC grants an extension of the time period.

These 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 U.S., any agency or entity of the U.S., or any officer or employee of the U.S., and do not affect the ability of the OCC to exercise its supervisory, regulatory and examination authorities under applicable law and regulations. The foregoing may not be waived or modified by any employee or agent of the OCC or the U.S.

All correspondence and documents concerning this transaction should be directed to Senior Licensing Analyst Jim Bundy in our Denver District Office at (720) 475-7656. 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.

Sincerely,

*/s/ Stephen A. Lybarger*

Stephen A. Lybarger  
NBE/Senior Licensing Analyst