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

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Washington, D.C.

June 24, 2011

**Conditional Approval #1003  
July 2011**

Ms. Radhi Thayu  
Assistant General Counsel  
Bank of America, NY8-114-09-02  
114 West 47th Street  
New York, NY 10036

Re: Application to merge BAC Home Loans Servicing, LP, Plano, Texas, into Bank of America, N.A., Charlotte, North Carolina  
Application Control Number: 2011-ML-12-0037

Dear Ms. Thayu:

The Office of the Comptroller of the Currency (“OCC”) hereby conditionally approves the application to merge BAC Home Loans Servicing, LP, Plano, Texas (“BACHL”), into Bank of America, N.A., Charlotte, North Carolina (“BANA”), for the reasons and subject to the requirements set forth herein. This approval is granted after a thorough evaluation of the application, other materials you have supplied, and other information available to the OCC, including commitments and representations made in the application and by BANA’s representatives during the application process.

**The Merger**

BANA is a national banking association insured by the Federal Deposit Insurance Corporation (“FDIC”), and is a direct wholly-owned subsidiary of Bank of America Corporation, a financial holding company headquartered in Charlotte, North Carolina. BACHL is a Texas limited partnership that is an indirect wholly-owned subsidiary of BANA. BACHL’s primary activity is servicing of residential mortgage loans. The activities of BACHL are permissible activities for a national bank under 12 U.S.C. § 24(Seventh). See also 12 CFR 5.34(e)(5)(v)(D).

BANA requests approval, pursuant to 12 U.S.C. §215a-3, to merge BACHL with and into BANA. Under 12 U.S.C. § 215a-3 and 12 C.F.R. § 5.33(g)(4)(i), approval of a merger between an insured national bank and a non-bank affiliate, including a subsidiary, is permitted, provided that the law of the state under which the non-bank affiliate is organized allows the non-bank affiliate to engage in such mergers. Texas law authorizes Texas limited partnerships to merge

with foreign corporations, including national banks, with the foreign corporation as the surviving corporation.<sup>1</sup>

Under 12 C.F.R. § 5.33(g)(4), in determining whether to approve the merger, the OCC shall also consider the purpose of the transaction, its impact on the safety and soundness of the bank, and any effect on the bank's customers. We considered these factors and found them consistent with approval under the statutory conditions.

### **The Bank Merger Act**

Under the Bank Merger Act ("Act")<sup>2</sup>, no insured bank is permitted to merge with an uninsured bank or institution without FDIC approval.<sup>3</sup> BANA has applied to the FDIC for approval of the merger as required under the Act. Consequently, the merger cannot be consummated unless and until the FDIC approves the transaction.

### **Section 1818 Condition**

This approval is subject to the following condition:

BANA's Board of Directors and management shall take all steps necessary to ensure that the commitments and representations set forth in the letters dated June 10, 2011 and June 24, 2011, from Phillip Wertz, Associate General Counsel to David Reilly, Large Bank Licensing Lead Expert are fully adopted, timely implemented, and adhered to thereafter.

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**

Based upon the information provided by BANA, including various representations, the merger of BANA and BACHL is legally authorized under 12 U.S.C. § 215a-3 and 12 C.F.R. § 5.33(g)(4), provided the applicant receives approval from the FDIC under the Act and any other applicable approvals, non-objections and waivers.

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<sup>1</sup> See Tex. Bus. Orgs. Code Ann. § 10.001.

<sup>2</sup> 12 U.S.C. § 1828.

<sup>3</sup> 12 U.S.C. § 1828(c)(1)(A).

## **Consummation Procedures and Requirements**

With respect to the application, please ensure that you have submitted the following, to the extent not already provided, prior to your desired consummation date:

1. A Secretary's Certificate for each institution certifying that a majority of the board of directors approved the merger.
2. An executed merger agreement and, if necessary, the Amended Articles of Association for the resulting bank.
3. A Secretary's Certificate from each institution certifying that shareholder or partner approvals have been obtained, if required.

If the transaction has not been consummated within twelve months from the approval date, the approval will automatically terminate unless the OCC grants an extension of the time period.

This approval 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 decision 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 decision if a material change in 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.

If you have any questions regarding this filing, I may be reached at (202) 874-4588 or by e-mail at [David.Reilly@occ.treas.gov](mailto:David.Reilly@occ.treas.gov). Please include the CAIS control number on any correspondence related to this filing.

Sincerely,

*Stephen A. Lybarger*

Stephen A. Lybarger  
Deputy Comptroller Licensing