



**Conditional Approval #1166
January 2017**

December 5, 2016

Richard D. Gates
President and Chairman of the Board
The Trust Company of Virginia
9030 Stony Point Parkway, Suite 300
Richmond, VA 23235

Re: Change in Bank Control Notice regarding
The Trust Company of Virginia Employee Stock Ownership Plan, Richmond, Virginia
Charter No. 718054; OCC Control No.: 2015-NE-CBCA-145056

Dear Mr. Gates:

The Office of the Comptroller of the Currency (OCC) has reviewed and evaluated the Notice of Change in Bank Control (Notice) filed by The Trust Company of Virginia Employee Stock Ownership Plan (ESOP) with respect to The Trust Company of Virginia (Bank). The Notice requests that the OCC not disapprove the ESOP's retention of 44 percent of the common stock of TCV Financial Corp., the Bank's parent company (Parent Company). Based upon a thorough review of all information available, including representations and commitments made by the ESOP and by the ESOP's representatives made in connection with this Notice, and in consideration of the relevant regulatory factors, the OCC hereby determines that the Notice is technically complete and does not disapprove the Notice.¹

Background

When the Bank converted to a federal savings bank in 2008, the ESOP was a shareholder of the Parent Company. At that time, the ESOP owned less than 25 percent of the Parent Company's outstanding shares. In 2011, the ESOP's ownership of the Parent Company's stock increased to above 25 percent. The ESOP failed to file a change in control notice at that time. Pursuant to 12 USC 1817(j), the ESOP acquired "control" of the Parent Company (and acquired indirect control of the Bank) when the ESOP acquired 25 percent of the Parent Company's shares, and the ESOP was required to file a change in bank control notice with the OCC before that time. The ESOP

¹The Trust Company of Virginia filed a notice with the OCC on November 10, 2016, amending the Bank's charter. That notice will be addressed in a separate letter.

currently owns 44 percent of the Parent Company's outstanding shares, and has now filed the Notice, seeking the OCC's non-disapproval for the retention of such ownership.

Processing of the Change in Bank Control Notice

The OCC processes change in control notices in accordance with the requirements set forth in 12 USC 1817(j)(7) and 12 CFR 5.50(f). The OCC may disapprove a notice if the OCC finds that: (1) the proposed acquisition of control would result in a monopoly or would further any monopoly or conspiracy to monopolize the business of banking anywhere in the United States; (2) the effect of the proposed acquisition may substantially lessen competition or tend to create a monopoly or in any other manner restrain trade and the anticompetitive effects are not clearly outweighed by benefits to the convenience and needs of the community to be served; (3) either the financial condition of any acquiring party or the future prospects of the bank is such as might jeopardize the stability of the bank or prejudice the interests of its depositors; (4) the competence, experience, or integrity of the acquiring party or of any of the proposed management indicate that it would not be in the interests of the depositors and the public for such persons to control the bank; (5) the acquiring party does not provide the OCC with all required information; or (6) the proposal would result in an adverse effect on the Deposit Insurance Fund. After carefully considering the facts presented in the Notice and the representations made in connection with the Notice, the OCC does not find a basis to disapprove the Notice.

Section 1818 Conditions

Non-disapproval is granted with the following conditions.

1. The ESOP shall use its best efforts to ensure that, no later than ten business days after the date of this letter, the Bank shall enter into a written Operating Agreement with the OCC on terms and conditions acceptable to the OCC.
2. The ESOP shall use its best efforts to ensure that, no later than ten business days after the date of this letter, the Bank shall enter into a written Capital and Liquidity Support Agreement with the Parent Company and the OCC on terms and conditions acceptable to the OCC, setting forth the Parent Company's obligations to provide capital and liquidity support to the Bank.
3. The ESOP shall use its best efforts to ensure that, no later than ten business days after the date of this letter, the Bank shall enter into a written Capital Assurance and Liquidity Maintenance Agreement with the Parent Company on terms and conditions acceptable to the OCC.
4. The ESOP shall not acquire any additional shares of the Parent Company, or any shares of the Bank directly, without filing a separate change in control notice and receiving the OCC's non-disapproval prior to such acquisition, unless such acquisition (a) is financed with funds on hand from normal operations and not by debt and (b) is consistent with the Business Plan submitted to the OCC pursuant to the Operating Agreement.

5. The ESOP shall not acquire any additional percentage ownership of the Parent Company's shares as a result of a stock repurchase by the Parent Company, without filing a separate change in control notice and receiving the OCC's non-disapproval prior to such acquisition, unless such stock repurchase by the Parent Company (a) is financed with funds on hand from normal operations and not by debt and (b) is in accordance with the Business Plan submitted to the OCC pursuant to the Operating Agreement.

The conditions of this non-disapproval are conditions "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 USC 1818. As such, the conditions are enforceable under 12 USC 1818.

Conclusion

This decision 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 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 your and your representatives' 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 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.

If you have any questions, please contact Licensing Analyst James Hill at 212-790-4055 or James.Hill@occ.treas.gov.

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

Sincerely,

signed

Stephen A. Lybarger
Deputy Comptroller for Licensing

Enclosure: Survey Letter