



State of Washington  
**DEPARTMENT OF FINANCIAL INSTITUTIONS**  
**DIVISION OF BANKS**

P.O. Box 41200, Olympia, Washington 98504-1200

Joseph M. Vincent  
DFI General Counsel  
Ph: 360.902.0516  
Fax: 360.704.7036  
jvincent@dfi.wa.gov

**ISGC – 2010 – 001 – DOB**

August 20, 2010



RE: *Advance Notice of Change in Control under RCW 30.04.405 – When Unnecessary?*

Dear Ms. Ripley:

The matter of your letter, dated August 17, 2010, on behalf of [REDACTED] (“Bank Holding Company”), and its wholly owned subsidiary, [REDACTED] (“Bank”), which was addressed to the Director of Banks, Brad Williamson (“Director of Banks”), has been referred to me for official response on behalf of the Division of Banks.

You have requested whether – in the case of a certain transaction involving the proposed direct investment by third parties in the equity of Bank Holding Company and consequent indirect beneficial stake in Bank (“Proposed Investment”) – a copy of a Notice of Change in Control as may be required by the Federal Deposit Insurance Corporation under the Change in Bank Control Act, at 12 U.S.C. 1817(j), or a completed application for Acquisition of Control, is required to be filed with the Director of Banks at least thirty (30) days prior to such parties acquiring control of Bank Holding Company or Bank, as mandated by the Washington Commercial Bank Act, at RCW 30.04.405.

The requirements of RCW 30.04.405 are governed, in the first instance, by the definition of “control” under RCW 30.04.400. As set forth in RCW 30.04.400, “control,” for purposes of the Washington Commercial Bank Act, means directly or indirectly and alone or in concert with

others owning, controlling or holding the power to vote twenty-five percent (25%) or more of the outstanding stock or voting power of the Bank Holding Company or Bank.

Based upon your representations of the Proposed Investment, none of the prospective investors in the Proposed Investment, either directly or indirectly and either collectively or individually, will be acquiring twenty-five percent (25%) or more of the outstanding stock or voting power of Bank Holding Company or Bank.

Accordingly, in reliance upon your representations, the Division of Banks hereby determines that a copy of the Notice of Change in Control or completed application for Change in Control is not required to be filed, as a matter of law, with the Director of Banks prior to the anticipated consummation of the Proposed Transaction. However, this determination in no way negates other requirements of the Washington Commercial Bank Act, Title 30 RCW, that may be applicable to Bank Holding Company and Bank in regard to the Proposed Transaction, including without limitation RCW 30.04.050, as amended by 2010 c 88 §6, effective March 17, 2010. In addition, in keeping with Bank Holding Company's and Bank's relationship with the Division of Banks as its chartering authority, the Division of Banks appreciates courtesy advance or contemporaneous notice of the details and outcome of the Proposed Transaction.

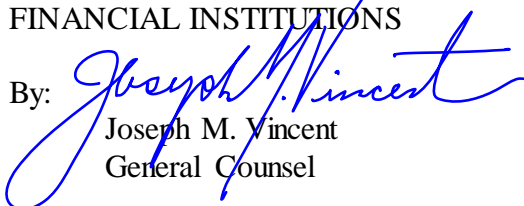
The general interpretation of RCW 30.04.400 and RCW 30.04.405 made in this letter is applicable to all Washington State-chartered banks or their bank holding companies, similarly situated. However, this interpretation may be subject to change in the event of differing facts involving another institution or a change in applicable law.

If you have any further questions, please do not hesitate to call upon Gloria McVey, Program Manager, Division of Banks, at (360) 902-8704 or [gmcvey@dfi.wa.gov](mailto:gmcvey@dfi.wa.gov).

Yours very truly,

WASHINGTON STATE DEPARTMENT OF  
FINANCIAL INSTITUTIONS

By:



Joseph M. Vincent  
General Counsel

For Division of Banks