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Comptroller of the Currency  
Administrator of National Banks

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Licensing Activities

**Conditional Approval #1055**  
**January 2013**

December 20, 2012

Ms. Margaret E. Tahyar, Esq.  
Davis Polk & Wardwell LLP  
450 Lexington Avenue  
New York, New York 10017

Re: Ameriprise Bank, FSB, Minneapolis, MN – OCC Charter No. 718013  
Business Plan Modification to a Trust-Only FSA – Control No. R4-2012-0042;  
Capital Distribution Application – Control No. R4-2012-0069; Notice to Convert to a  
National Bank – Control No. R4-2012-0043

Ameriprise National Trust Bank, Minneapolis, MN – OCC Charter No. 25057  
Conversion Application to an Insured Trust-Only National Bank – Control No.  
2012-CE-01-0001; Director Residency Waiver Notices – Control No. 2012-CE-12-0131

Dear Ms. Tahyar:

The Office of the Comptroller of the Currency (“OCC”) hereby conditionally approves applications submitted by Ameriprise Financial, FSB, Minneapolis, Minnesota (“Ameriprise” or “Applicant”), to modify its operations from a full service federal savings association (“FSA”) to a trust-only FSA, to make a capital distribution to its parent savings and loan holding company, Ameriprise Financial, Inc., Minneapolis, Minnesota (“Ameriprise Financial”), pursuant to 12 C.F.R. § 163, Subpart E, and to convert from a trust-only FSA to a national trust bank pursuant to 12 C.F.R. § 163.22(b)(1)(ii). In addition, the OCC hereby conditionally approves the applications submitted on behalf of the proposed national trust bank, Ameriprise National Trust Bank, Minneapolis, Minnesota (“Trust Bank”), to convert to a national trust bank pursuant to 12 C.F.R. §§ 5.24 and 5.26 (“Charter Conversion”), and hereby grants approval for the three Director Residency Waiver requests submitted in connection with the conversion application pursuant to 12 U.S.C. § 72. (Collectively “Applications”).

These approvals are granted after a thorough evaluation of the Applications, other materials supplied by the Applicant’s representatives, and other information available to the OCC, including commitments and representations made in the Applications and during the application process. The OCC’s approvals are subject to the consummation requirements and conditions set out herein.

## **Applications**

These applications are related to a series of transactions contemplated as part of Ameriprise’s plan to limit its operations to trust and fiduciary activities in connection with Ameriprise Financial’s intention to deregister as a savings and loan holding company.

Capital Distribution Application – Under 12 C.F.R. § 163.146, the OCC may approve a capital distribution if the FSA will be not less than adequately capitalized after the proposed distribution and the capital distribution is consistent with safety and soundness.<sup>1</sup> The OCC reviewed the Applicant’s capital distribution application and finds approval is consistent with statutory and regulatory criteria. The request to make a cash capital distribution payment to Ameriprise Financial in the amount of \$250,000,000 by December 31, 2012 is approved. The request to make a second cash capital distribution in the approximate amount of \$170,489,000 is approved subject to the conditions herein.

Business Plan Modification – Ameriprise previously received OCC approval<sup>2</sup> to sell assets and transfer liabilities to operate as a trust-only FSA. The Applicant has filed a business plan modification to reflect its operations as an FSA engaged solely in providing trust and fiduciary activities. The business plan modification has been reviewed and found to be acceptable.

Notification to Convert from a Federal Savings Association – Applicant filed a notification to the OCC pursuant to 12 C.F.R. §§ 152.19 and 163.22(b)(1)(ii) (“Notification”) with respect to the proposed conversion to a national trust bank. In order for an FSA to convert to a national bank it must demonstrate compliance with stockholder approval and liquidation account requirements. The OCC has reviewed the Notification and finds the conversion from an FSA is consistent with statutory and regulatory criteria.

Charter Conversion – The conversion of Ameriprise to a national bank is legally authorized under regulations providing for conversions of FSAs to national banks. *See* 12 C.F.R. §§ 5.24(d). In deciding a conversion application, OCC regulations provide that the OCC take into account whether the institution can operate safely and soundly as a national bank in compliance with applicable laws, regulations and policies. 12 C.F.R. § 5.24(d)(1). The regulations further provide that an application may be denied if significant supervisory, Community Reinvestment Act, or compliance concerns exist with respect to the applicant; approval is inconsistent with application law, regulation or policy; or the applicant fails to provide necessary information that the OCC has requested. 12 C.F.R. §§ 5.24(d) & 5.13(b).

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<sup>1</sup> *See* 12 C.F.R. § 163.146. The proposed distribution also must not violate any statutory or regulatory prohibition or regulatory agreement or a condition imposed in connection with a prior OCC or OTS approval.

<sup>2</sup> OCC approval dated October 16, 2012 to transfer all retail and commercial banking assets and liabilities to third parties and affiliates (“Bulk Transfer Application”) pursuant to 12 C.F.R. § 163.22(c).

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The regulations also provide that a conversion application may be denied if the conversion would permit the applicant to escape supervisory action by its current regulator.<sup>3</sup>

As of December 17, 2012, the Applicant represents that \$33.6 million in brokered certificates of deposit approved in the Bulk Transfer Application remain to be liquidated. These deposits are nonconforming activities for a national trust bank and are restricted by the Trust Bank's Articles of Association ("Articles"), which limit Trust Bank's activities to fiduciary and trust-related activities only.<sup>4</sup> The conditions outlined below include a requirement to ensure that the Trust Bank's activities are conforming.

The OCC has reviewed the Charter Conversion with trust powers application and finds that approval is consistent with statutory and regulatory criteria. The Charter Conversion application is hereby approved subject to the conditions herein.

**Section 1818 Conditions:**

- No later than one (1) business day after consummation, Trust Bank shall enter into a written Operating Agreement with the OCC on terms and conditions acceptable to the OCC and Trust Bank shall thereafter comply with the terms of the Operating Agreement.
- No later than three (3) business days after the effective date of the Operating Agreement between Trust Bank and the OCC, Trust Bank shall enter into a Capital and Liquidity Support Agreement ("CSA") with Ameriprise Financial and the OCC on terms and conditions acceptable to the OCC, setting forth Ameriprise Financial's obligations to provide capital and liquidity support to Trust Bank if and when necessary. Trust Bank shall thereafter comply with the terms of such CSA.
- No later than three (3) business days after the effective date of the Operating Agreement between Trust Bank and the OCC, Trust Bank shall enter into a written Capital Assurance and Liquidity Maintenance Agreement ("CALMA") with Ameriprise Financial on terms and conditions acceptable to the OCC, setting forth Ameriprise

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<sup>3</sup> 12 C.F.R. § 5.24(d)(1). In addition, section 612 of the Dodd-Frank Wall Street Reform and Consumer Protection Act, Pub. Law No. 111-203, 124 Stat. 1376, 1612 (July 21, 2010) contains provisions restricting certain charter conversions. However, those provisions do not apply to conversions of FSAs to national banks. The OCC has also determined that consideration of and approval of this conversion application is consistent with the standards set forth in the Interagency Statement on Section 612 of the Dodd-Frank Act Restrictions on Conversions of Troubled Banks issued on November 26, 2012 and the Statement on Regulatory Conversions issued by the Federal Financial Institutions Examination Council on July 1, 2009.

<sup>4</sup> The Articles provide that the Trust Bank may accept a single deposit in a minimum amount necessary to qualify for federal deposit insurance. Such minimum deposit would not be nonconforming. The brokered deposits described in this paragraph would be in excess of the amount provided for in the Articles and therefore be nonconforming for purposes of this letter.

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Financial's obligation to provide capital and liquidity support to Trust Bank if and when necessary. Trust Bank shall thereafter comply with the terms of such CALMA.

- No later than the date of consummation of the Charter Conversion, Ameriprise must submit a written certification that states that Ameriprise has fully divested of all nonconforming assets, liabilities, and activities, not permitted by its Articles.
- The Trust Bank's board of directors must adopt and implement policies, practices, and procedures to ensure the safe and sound operation of Trust Bank. The board also must review those policies, practices, and procedures continually and ensure the bank's compliance with them. We are enclosing the Minimum Policies and Procedures for national banks.
- The second cash capital distribution cannot be distributed: i) earlier than divestiture of all nonconforming assets, liabilities, and activities; ii) earlier than one day prior to consummation of the Charter Conversion; and iii) must be adjusted to ensure that the Trust Bank will meet its minimum capital floor requirement as defined in the Operating Agreement.

All "Conditions" set forth herein 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 U.S.C. § 1818. As such, these conditions are enforceable under 12 U.S.C. § 1818. Failure to comply with these conditions may also result in revocation of this approval.

**Consummation Requirements:**

On the business day prior to the date of the consummation of: 1) the Charter Conversion; and 2) each capital distribution, the chief financial officer of Ameriprise must certify in writing to the OCC Central District Licensing Division ("LIC-CE") that no material adverse events or material adverse changes have occurred with respect to the financial condition or operation of Ameriprise as disclosed in the Applications. If additional information having a material adverse bearing on any feature of the Applications is brought to the attention of Ameriprise or the OCC since the date of the financial statements submitted with the Applications, Ameriprise must not consummate the Charter Conversion, or the capital distributions, unless the information is presented to LIC-CE and LIC-CE provides written nonobjection to consummation of the Charter Conversion and the capital distributions, as applicable.

Ameriprise must surrender its executed charter to the LIC-CE as soon as practicable after consummation of the Charter Conversion.

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The following items must be addressed to the satisfaction of the LIC-CE on or before the effective date of the Charter Conversion:

- The Trust Bank must purchase adequate fidelity bond coverage in accordance with 12 C.F.R. § 7.2013, which lists four factors the Trust Bank’s directors should consider to determine adequacy.
- The Trust Bank must apply to the Federal Reserve for membership.
- The Trust Bank must ensure that all other required regulatory approvals have been obtained. Final authorization to operate as a national bank will not be given to an institution with a bank holding company until the Federal Reserve Board has approved the deregistration of Ameriprise Financial.
- The Trust Bank’s directors must be citizens and own qualifying shares in conformance with 12 U.S.C. § 72 and 12 C.F.R. § 7.2005.
- The Applicant must notify the OCC if the facts described in the filing materially change at any time prior to consummation of the conversion. Any changes to the executive officers or directors must receive a “no objection” from the OCC.

Director Residency Waiver Requests – The OCC has reviewed the Director Residency Waiver applications filed pursuant to 12 U.S.C. § 72 on behalf of the following proposed directors of the Trust Bank: Abu M. Arif, Leesa N. Gilliam, and Joseph E. Sweeney. The OCC may, in its discretion, waive the requirement of residency if: (i) the experience and ability of the proposed directors are relevant to the bank and the type of services it intends to provide; and (ii) approval of the residency waiver will support the safety and soundness of the bank. The OCC finds that approval of the waiver requests is consistent with these regulatory criteria. The three waiver requests are hereby approved.

### **Closing**

Upon completion of all steps required to convert to a national banking association, submit the “Conversion Completion Certification” certifying that you have done so.

When the institution has satisfactorily completed all of the above steps, the OCC will issue a Conversion Completion Acknowledgment officially authorizing the institution to commence business as a national banking association. At that time you will receive the charter certificate. If the conversion is not consummated within six months from the date of the decision, the approval will automatically terminate unless the OCC grants an extension of the time period.

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The OCC is opposed to granting extensions, except under the most extenuating circumstances and expects the conversion to occur as soon as possible.

The OCC will send to you under separate cover an appropriate set of OCC handbooks, manuals, issuances, and selected other publications. This information does not include the *Comptroller's Licensing Manual*, which is available in electronic form on our Web site <http://www.occ.treas.gov/corpapps/corpapplic.htm>.

This approval or conditional 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 approval 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 approval 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.

All correspondence regarding this application should reference the OCC Control No. for the Charter Conversion. A separate letter is enclosed requesting your feedback on how we handled your application. We appreciate your response so we may improve our service. If you have any questions, contact Licensing Analyst Valarina Oliver-Dumont at (312) 360-8886 or at [Valarina.Dumont@occ.treas.gov](mailto:Valarina.Dumont@occ.treas.gov).

Sincerely,

*Stephen A. Lybarger*

Stephen A. Lybarger  
Deputy Comptroller for Licensing

Enclosure