



Comptroller of the Currency
Administrator of National Banks

Washington, DC 20219

Corporate Decision #97-64
August 1997

July 14, 1997

Mr. George Knapstein
First Value Corporation
1500 N. Casaloma Drive
Appleton, Wisconsin 54915

Re: Application to charter First Value Bank, National Association, Grand Chute, Wisconsin
OCC Control Number: 97-CE-01-0013

Dear Mr. Knapstein:

This is to inform you that on July 14, 1997 the Office of the Comptroller of the Currency (OCC) disapproved the application to charter First Value Bank, National Association, Grand Chute, Wisconsin. The organizers failed to demonstrate to the OCC that the proposed bank has a reasonable likelihood of success. The decision was made after an extensive and thorough evaluation of information provided in the application, obtained during the field investigation conducted by an experienced national bank examiner, and available to the OCC in its regulatory and supervisory activities.

The decision to grant a new national bank charter is not based on any single factor, but on a combination of factors unique to each application. In evaluating an application to establish a national bank, the OCC considers whether the proposed bank: (1) has organizers who are aware of and understand national banking laws and regulations, and safe and sound banking operations and practices; (2) has competent management, including the board of directors, with ability and experience relevant to the types of services to be provided; (3) has capitalization that is sufficient to support the projected volume and type of business; (4) can reasonably be expected to achieve and maintain profitability; and, (5) will help meet the credit needs of its entire community, including low- and moderate-income neighborhoods, consistent with safe and sound banking operations.

Our review of the application, including the findings of the field investigation, identified the following deficiencies in the subject charter application as they relate to the above evaluation factors.

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Our field investigation also revealed that the organizers copied almost the entire narrative section of the operating plan from another charter application that was previously approved by this office. Because the operating plan is a near duplicate of another bank's charter application, it is difficult to assess the nature and extent of the organizers' involvement in its preparation, to gauge the organizers' true vision for the proposed bank, and to accurately assess its prospects for success. This fact reflects negatively upon the group's ability to establish and operate a successful bank. In the charter evaluation process, the OCC considers it to be critical that all organizers, particularly the proposed chief executive officers, be involved in the development of the operating plan.

The organizers' unfamiliarity with key aspects of the operating plan is a major concern to the OCC. During the field investigation, the examiners discerned that the organizers do not have a common understanding of the bank's future, as illustrated by the stated expectations of several organizers regarding much greater asset growth than that reflected in the operating plan.

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Given the weaknesses discussed above, the organizing group has not demonstrated that they have the necessary skills and experience to ensure the proposed bank would be operated in a safe and sound manner, and that the bank would have a reasonable likelihood for success. Accordingly, we are unable to act favorably on your application.

Questions regarding this decision should be directed to me or NBE/Licensing Expert J. Greg Parvin at (202) 874-5060 or Corporate Analyst Christela C. Lopez in our Central District Office at (312) 360-8872.

Sincerely,

/s/

John O. Stein
Acting Director for Corporate Activity
Bank Organization and Structure