



BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON, D. C. 20551

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

June 12, 1997

Mr. Ferdinand F. Greeff
President
One Stop Auto Parts, Inc.
3417 Greenmount Avenue
Baltimore, MD 21218

Dear Mr. Greeff:

This is in response to your request that the Board reconsider its approval of the applications and notices filed by Allied Irish Banks, plc, Dublin, Ireland ("Allied Irish"), and First Maryland Bancorp, Baltimore, Maryland, to acquire Dauphin Deposit Corporation, Harrisburg, Pennsylvania ("Dauphin"), and thereby to acquire Dauphin's banking and nonbanking subsidiaries.^{1/} Your letter dated May 17, 1997, was not received in time to be considered by the Board before acting on the proposal and also has been considered as part of your request.

The Board's Rules of Procedure require that a request for reconsideration present relevant facts that, for good cause shown, were not previously presented to the Board. 12 C.F.R. 262.3(k). The members of the Board have carefully considered your request in light of this standard and all the facts of record.

Your request raises several issues regarding the procedures used to process the proposal. Specifically, you contend that: (1) Allied Irish's newspaper notice was defective because it was not published in communities served by Dauphin's subsidiary mortgage company, Eastern Mortgage Services, Trevose, Pennsylvania; (2) the proposal was not filed within the required time

^{1/} Allied Irish Banks, plc, 83 Federal Reserve Bulletin ____ (Order dated May 19, 1997) ("Allied Order").

period following newspaper notice, and the applications and notices were not accepted in accordance with the procedures set forth in Regulation Y; and (3) Allied Irish did not file a notice under the Change in Bank Control Act (12 U.S.C. § 1817(j)) ("CIBC Act") to acquire Dauphin's subsidiary bank.

The Board's Regulation Y sets forth the procedures to be followed in processing applications and notices under sections 3 and 4 of the Bank Holding Company Act ("BHC Act").^{2/} Allied Irish published notice of the proposal in a newspaper of general circulation in communities in which Allied Irish, its lead subsidiary bank, and Dauphin's subsidiary bank, Dauphin Bank and Trust Company, Harrisburg, Pennsylvania, are located, as required by Regulation Y.^{3/} An applicant is not required to publish newspaper notice for the acquisition of a nondeposit-taking subsidiary like a mortgage company. In addition, the record shows that the submission and acceptance of the proposal complied with Regulation Y.^{4/} Regulation Y also provides that transactions that require prior approval under section 3 of the BHC Act are exempt from the notice requirements of the CIBC Act.^{5/}

You also maintain that you were not provided documents relating to the proposal on a timely basis under the Freedom of Information Act (5 U.S.C. § 552) ("FOIA"). You requested these materials on May 16, 1997, two weeks after the close of the public comment period, and after the proposal had been presented to the Board for consideration. Your FOIA request, moreover, was

^{2/} See 12 C.F.R. Part 225. The Board recently amended Regulation Y, including the procedures for processing applications and notices, effective April 21, 1997. See 62 Federal Register 9290 (February 28, 1997). The Allied Irish proposal was submitted before Regulation Y was revised, and this letter discusses the procedures in effect at the time the proposal was submitted.

^{3/} See 12 C.F.R. 262.3(b)(1)(ii)(E).

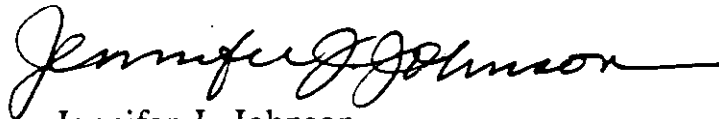
^{4/} The proposal was submitted by Allied Irish within seven business days of the newspaper notice. 12 C.F.R. 262.3(b)(3). The Federal Reserve Bank of Richmond accepted the proposal for processing within 10 business days of submission, which is the applicable time frame for proposals that require approval under sections 3 and 4 of the BHC Act. See 12 C.F.R. 225.14(c).

^{5/} 12 C.F.R. 225.42(c).

processed on an expedited basis and all then-public portions of the application and notice were made available to you in time to be used in preparing your request for reconsideration.^{6/}

No member of the Board has requested reconsideration of the Allied Order, or determined that the Board's decision in this case should be altered. Accordingly, based on all the facts of record, including the considerations discussed in this letter, your request for reconsideration is hereby denied.

Very truly yours,

A handwritten signature in black ink, appearing to read "Jennifer J. Johnson", with a long horizontal flourish extending to the right.

Jennifer J. Johnson
Deputy Secretary of the Board

cc: Allied Irish Banks, plc
First Maryland Bancorp
Federal Reserve Bank of Richmond

^{6/} You also note that Allied Irish characterized its transaction as "proposed" and that there are no procedures for processing a "proposed" transaction under Regulation Y. All transactions requiring the Board's prior approval may be properly characterized as "proposed" under the BHC Act until the Board approves or denies the transaction.