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Sent: Monday, April 29, 2019 7:18 AM

To: office-of-the-secretary; Drimer, Adam; Wayne.Cox@rich.frb.org; Edwards, Travers

Cc: Applications; ATL Community Affairs; SJanson@fdic.gov; Barr, David (OCOM); Packard, Richard L.; English, Dana A.; Matthew Lee [at] innercitypress.org; InnerCityPress@gmail.com; Matthew R. Lee [at] FairFinanceWatch.org

Subject: [EXTERNAL MESSAGE]First Comment on Application by BB&T Corporation to merge with SunTrust Banks, Inc. and indirectly acquire SunTrust Bank Holding Company, Orlando, FL, and SunTrust Bank - including on FOIA / AML grounds

April 29, 2019

Via E-mail to Office-of-the-Secretary [at] frb.gov (cc FDIC)

Board of Governors of the Federal Reserve System

Attn: Chair Powell, Secretary Misback

20th Street and Constitution Avenue, N.W.

Washington, DC 20551

Re: Timely First Comment on Application by BB&T Corporation to merge with SunTrust Banks, Inc. and indirectly acquire SunTrust Bank Holding Company, Orlando, FL, and SunTrust Bank - including on FOIA / AML grounds

Dear Chair Powell, Secretary Misback and others in the FRS (& FDIC)

This is a timely first comment opposing and requesting documents about and an extension of the FRB's and FDIC's public comment periods on the Application by BB&T Corporation to merge with SunTrust Banks, Inc. and indirectly acquire SunTrust Bank Holding Company, Orlando, FL, and SunTrust Bank.

As Fair Finance Watch was reviewing the Home Mortgage Disclosure Act (HMDA) and other data of the banks with an eye toward commenting or not commenting by the current May 3 expiration of comment period on this proposed mega-merger, it and Inner City Press were shocked to see the Federal Reserve Board's cynical April 18 termination of the enforcement action against BB&T for money laundering.

Money laundering is, along with redlining, one of the most serious crimes a bank can engage in. For example currently in the SDNY there are numerous AML prosecutions, resulting for example in the conviction of CEFC's Ho for UN-related bribery. Even the Fed had historically acknowledged the primacy of full AML compliance over the rush toward corporate combination, for example in connection with M&T Bank.

Yet here, for the convenience of and in collusion with a proposed mega merger, the Fed without transparency has terminated the BB&T AML enforcement action during the public

comment period on the merger, without taking any public comment on it.

Today Inner City Press has submitted a Freedom of Information Act request to the Federal Reserve for records related to this troubling de-regulatory action. It has requested expedited treatment and formally requests that the comment period be kept open until the FRB has made these records available.

Meanwhile, Fair Finance Watch has reviewed BB&T's HMDA data for 2017, the most recent year for which such disclosure data is available, and for now note that for example in the Houston Texas MSA in 2017, BB&T made 56 conventional home purchase loans to whites and only four to African Americans and only six to Latinos. In the New York City MSA in 2017, BB&T made four such loans to whites and none at all to people of color. In Charleston, WV in 2017 it made 57 such loans to whites and none to people of color. From the first of what should now be more than two public meetings, in West Virginia, SunTrust has already closed all of its branches; over the past four years, BB&T has closed more than 10 branches in the state.

We note on the FDIC's web page no sign of an application for this merger. The Federal Reserve should not rule until the FDIC board is full, and to coordinate its review with such a full FDIC board. This comment should be transmitted by the FRB to state regulators in NC and Georgia.

Here for the record on this application is from the FOIA request Inner City Press has submitted:

This is a request for all records in the possession of the Federal Reserve System regarding the 18 April 2019 termination of the money laundering enforcement action against BB&T. In order to comment on the troubling proposed acquisition of Suntrust Bank by BB&T Inner City Press requests the records before the 3 May 2019 current expiration of comment period, or that the comment period be extended. Accordingly, this is a request for expedited treatment on the matter of obvious public importance, including in light of the dangers money laundering can pose to safety.

Please search for responsive records regardless of format, medium, or physical characteristics. We seek records of any kind, including paper records, electronic records, audiotapes, videotapes, photographs, data, and graphical material. Our request includes without limitation all correspondence, letters, emails, text messages, facsimiles, telephone messages, voice mail messages, and transcripts, notes, or minutes of any meetings, telephone conversations, or discussions. Our request also includes any attachments to emails and other records, as well as those who were cc'ed or bcc'ed on any emails. If it is your position any portion of the requested records is exempt from disclosure, ICP requests that you provide it with an index of those documents as required under *Vaughn v. Rosen*, 484 F.2d 820 (D.C. Cir. 1973). In the event some portions of the requested records are properly exempt from disclosure, please disclose any reasonably segregable non-exempt portions of the requested records. See 5 U.S.C. § 552(b). If it is your position that a document contains non-exempt segments, but that those non-exempt segments are so dispersed throughout the document as to make segregation impossible, please state what portion of the document is nonexempt, and how the material is dispersed throughout the document. See *Mead Data Central v. U.S. Dep't of the Air Force*, 566 F.2d 242, 261 (D.C. Cir. 1977).

Please search all records regarding agency business. You may not exclude searches of files or emails in the personal custody of your officials, such as personal email accounts. Records of official business conducted using unofficial systems or stored outside of official files is subject to the Federal Records Act and FOIA. It is not adequate to rely on policies and procedures that require officials to move such information to official systems within a certain period of time; ICP has a right to records contained in those files even if material has not yet been moved to official systems or if officials have, through negligence or willfulness, failed to meet their obligations.

ICP requests that you expedite the processing of this request. I certify to be true and correct to the best of my knowledge and belief, that there is media interest in the Fed's role in this case and the underlying facts. I further certify that ICP is actively engaged in disseminating information to the public. ICP will use the information gathered, and its analysis of it, to educate the public through reports, press releases, and other media. ICP will also make materials it gathers available on our website and promote their availability on social media platforms, such as Twitter, where ICP has over 30,000 followers. Accordingly, ICP request satisfies the criteria for expedition

On the current record, BB&T's applications should be denied.

Please immediately send all requested information and responses by e-mail to lee@fairfinancewatch.org and innercitypress@gmail.com, and by hard copy to:

Matthew R. Lee, Esq.

Fair Finance Watch

Regular mail: Matthew R. Lee Esq, PO Box 20047, NYC NY 10017

If you have any questions, please immediately telephone the undersigned, at (718) 716-3540.

Very Truly Yours,

Matthew Lee, Esq.
Executive Director
Inner City Press/Fair Finance Watch

cc: FDIC