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OCC Reaffirms Willingness To Accept and Grant Special Purpose Charters to Fintech Companies

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On October 9, 2018, Grovetta Gardineer, the Office of the Comptroller of the Currency's ("OCC's") senior deputy comptroller for compliance and community affairs, reaffirmed the OCC's willingness to accept applications from fintech companies seeking a special purpose national bank charter and grant such applications if the application meets certain requirements.

These remarks, which were made in response to questions at the [Online Lending Policy Institute conference](#), follow the OCC's July 2018 [policy statement](#) that the agency would "consider applications for national bank charters from companies conducting the business of banking, provided they meet the requirements and standards for obtaining a charter." The OCC's decision to begin accepting applications for the fintech bank charter is discussed in more detail in our recent [Fintech Regulatory Update](#).

As discussed in a previous [blog post](#), on September 14, 2018, the New York Department of Financial Services ("NYDFS") filed a [complaint](#) in federal court to block the OCC from issuing any fintech bank charters. This complaint follows a [previous lawsuit](#) brought by NYDFS in 2017. This suit was [dismissed](#) because the federal district court concluded that the matter was not yet ripe for adjudication since the OCC had only proposed to issue the charter.

In addition, on September 12, 2018, the Conference of State Bank Supervisors ("CSBS") [announced](#) that it would pursue litigation against the OCC for issuing fintech bank charters. As discussed in a previous [blog post](#), the CSBS previously filed a [lawsuit](#) against the OCC that also was [dismissed](#) by the federal district court.

In responding to a question about potential litigation, Gardineer made clear that the OCC does not question its authority to grant a fintech bank charter. Gardineer also stated that the OCC is in ongoing conversations with the Board of Governors of the Federal Reserve System regarding whether a fintech charter would provide access to certain Federal Reserve services, including the payments system.

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