



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

ADDRESS OFFICIAL CORRESPONDENCE  
TO THE BOARD

April 7, 1997

Mr. David F. Freeman, Jr.  
Arnold & Porter  
555 Twelfth Street, N.W.  
Washington, D.C. 20004-1206

Dear Mr. Freeman:

The Secretary of the Board of Governors of the Federal Reserve System, acting pursuant to authority delegated by the Board, and having considered the record of this proposal in light of the relevant statutory factors, has approved pursuant to section 4(c)(8) of the Bank Holding Company ("BHC") Act the proposal of PNC Bank Corporation, Pittsburgh, Pennsylvania ("PNC"), to establish de novo a wholly-owned nonbanking subsidiary, PNC GPI, Inc., Wilmington, Delaware ("Subsidiary"), that will serve as general partner to private investment limited partnerships now existing or to be established in the future ("Partnerships").

Subsidiary will provide the Partnerships with certain administrative and recordkeeping services and, as general partner, will invest the funds of the Partnerships.<sup>1</sup> Interests in the Partnerships will be privately placed by PNC's subsidiary banks or its registered broker-dealer subsidiary. The Board has previously determined that the proposed activities are closely related to banking. See, e.g., The Bessemer Group, Incorporated, 82 Federal Reserve Bulletin 569 (1996); Meridian Bancorp, Inc., 80 Federal Reserve Bulletin 736 (1994). PNC has committed to conduct the proposed activities in accordance with the limitations contained in the BHC Act and in previous Board decisions.

Approval of this proposal is subject to the Board's authority to require reports by, and to make examinations of, holding companies and their subsidiaries and to require such modification or termination of activities of a holding company or any of its subsidiaries as the Board finds necessary to

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<sup>1</sup> The Partnerships will invest only in securities.

assure compliance with the BHC Act, and the Board's regulations and orders issued thereunder. The commitments and conditions agreed to by PNC shall be deemed to be conditions imposed in writing by the Board and, as such, may be enforced in proceedings under applicable law.

This transaction may not be consummated later than twelve months after the date of this letter, unless such period is extended by the Federal Reserve Bank of Cleveland. In connection with these provisions, advice of the fact of consummation should be given in writing to the Reserve Bank.

Very truly yours,

A handwritten signature in cursive script, appearing to read "Jennifer J. Johnson", written in black ink.

Jennifer J. Johnson  
Deputy Secretary of the Board

cc: Federal Reserve Bank of Cleveland  
Department of Justice