



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

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

May 20, 1998

Mr. George Mahr
900 Mickly Road NT-4
Whitehall, Pennsylvania 18052

Dear Mr. Mahr:

This is in response to your letter, dated April 20, 1998, regarding the application and notice of First Union Corporation, Charlotte, North Carolina, to acquire CoreStates Financial Corp, Philadelphia, Pennsylvania.^{1/}

The Board's Rules of Procedure provide that a request for reconsideration must 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 contends that the Board (and other banking agencies) did not adequately address CoreStates's allegedly anti-consumer policies. The Board carefully reviewed your comments in light of all the facts of record. These facts included the most recent ratings of the performance records of First Union and CoreStates under the Community Reinvestment Act (12 U.S.C. § 2901 *et seq.*) ("CRA") by their appropriate federal supervisors and, in particular, the policies and programs of First Union to be implemented in the communities served by CoreStates. For the reasons discussed in detail in the Order, the Board concluded that the convenience and needs factor, including the CRA performance records of the subsidiary banks of CoreStates and First Union, was consistent with approval. Your request disagrees with the Board's

^{1/} See First Union Corporation, 84 Federal Reserve Bulletin (1998) (Order dated April 13, 1998) ("Order").

conclusion without presenting relevant facts that, for good cause shown, were not previously presented to the Board.

Your request has been presented to the members of the Board to give them an opportunity to determine whether reconsideration of the Order is warranted. For the reasons discussed above, and in light of all the facts of record, no member of the Board has requested that the Order be reconsidered or modified in any manner. Accordingly, your request for reconsideration is denied.

Very truly yours,



Jennifer J. Johnson

Deputy Secretary of the Board

cc: Robert L. Andersen, Esq.,
First Union Corporation
Federal Reserve Bank of Richmond
Federal Reserve Bank of Philadelphia