

FEDERAL RESERVE SYSTEM

BB&T Corporation  
Winston-Salem, North Carolina

Order Approving the Merger of Bank Holding Companies

BB&T Corporation (“BB&T”), a financial holding company within the meaning of the Bank Holding Company Act (“BHC Act”), has requested the Board’s approval under section 3 of the BHC Act<sup>1</sup> to acquire Main Street Banks, Inc. (“Main Street”), Atlanta, and its subsidiary bank, Main Street Bank, Covington, both of Georgia. BB&T also has requested the Board’s approval under sections 4(c)(8) and 4(j) of the BHC Act<sup>2</sup> and section 225.28(b)(14) of the Board’s Regulation Y<sup>3</sup> to acquire Main Street’s subsidiary, MSB Payroll Solutions, LLC (“MSB Data”), Alpharetta, Georgia, and thereby engage in permissible data processing activities.<sup>4</sup>

Notice of the proposal, affording interested persons an opportunity to submit comments, has been published in the Federal Register (71 Federal Register 3094 (2006)). The time for filing comments has expired, and the Board has considered the application and notice and all comments received in light of the factors set forth in sections 3 and 4 of the BHC Act.

---

<sup>1</sup> 12 U.S.C. § 1842.

<sup>2</sup> 12 U.S.C. §§ 1843(c)(8) and 1843(j).

<sup>3</sup> 12 CFR 225.28(b)(14).

<sup>4</sup> In addition, BB&T proposes to acquire Main Street’s nonbanking insurance agency and underwriting subsidiary in accordance with section 4(k) of the BHC Act (12 U.S.C. § 1843(k)).

BB&T, with total consolidated assets of approximately \$109.2 billion, is the 17th largest depository organization in the United States.<sup>5</sup> BB&T operates subsidiary insured depository institutions in Alabama, Florida, Georgia, Indiana, Kentucky, Maryland, North Carolina, Tennessee, West Virginia, and the District of Columbia. In Georgia, BB&T is the sixth largest depository organization, controlling deposits of \$4.7 billion, which represent 3.2 percent of the total amount of deposits of insured depository institutions in the state (“state deposits”).

Main Street, with total consolidated assets of approximately \$2.4 billion, operates one depository institution, Main Street Bank, which has branches only in Georgia. Main Street Bank is the ninth largest insured depository institution in Georgia, controlling deposits of \$1.7 billion, which represent approximately 1.2 percent of state deposits.

On consummation of this proposal, BB&T would remain the 17<sup>th</sup> largest insured depository organization in the United States, with total consolidated assets of approximately \$111.9 billion. BB&T would become the fifth largest depository organization in Georgia, controlling deposits of approximately \$6.3 billion, which represent approximately 4.3 percent of state deposits.<sup>6</sup>

---

<sup>5</sup> Asset and nationwide ranking data are as of December 31, 2005. Statewide deposit and ranking data are as of June 30, 2005, and reflect merger activity through February 24, 2006. In this context, insured depository institutions include commercial banks, savings banks, and savings associations.

<sup>6</sup> Branch Banking and Trust Company (“BB&T Bank”), Winston-Salem, North Carolina, a subsidiary bank of BB&T, has received approval from the Federal Deposit Insurance Corporation (“FDIC”) to merge with Main Street Bank, with BB&T Bank as the survivor. BB&T has indicated that it anticipates consummating that merger approximately four months after acquiring Main Street.

### Interstate Analysis

Section 3(d) of the BHC Act allows the Board to approve an application by a bank holding company to acquire control of a bank located in a state other than the bank holding company's home state if certain conditions are met. For purposes of the BHC Act, the home state of BB&T is North Carolina,<sup>7</sup> and Main Street Bank is located in Georgia.<sup>8</sup>

Based on a review of all the facts of record, including relevant state statutes, the Board finds that all conditions for an interstate acquisition enumerated in section 3(d) of the BHC Act are met in this case.<sup>9</sup> In light of all the facts of record, the Board is permitted to approve the proposal under this provision.

### Competitive Considerations

Section 3 of the BHC Act prohibits the Board from approving a proposal that would result in a monopoly or would be in furtherance of an attempt to monopolize the business of banking in any relevant banking market. The BHC Act also prohibits the Board from approving a bank acquisition that would

---

<sup>7</sup> A bank holding company's home state is the state in which the total deposits of all banking subsidiaries of such company were the largest on July 1, 1966, or the date on which the company became a bank holding company, whichever is later. 12 U.S.C. § 1841(o)(4)(C).

<sup>8</sup> For purposes of section 3(d) of the BHC Act, the Board considers a bank to be located in the states in which the bank is chartered, headquartered, or operates a branch. See 12 U.S.C. §§ 1841(o)(4)-(7) and 1842(d)(1)(A) and (d)(2)(B).

<sup>9</sup> See 12 U.S.C. § 1842(d)(1)(A) and (B) and 1842(d)(2)(A) and (B). BB&T is adequately capitalized and adequately managed, as defined by applicable law. Main Street Bank has been in existence and operated for the minimum period of time required by applicable state law (three years). See Ga. Code Ann. § 7-1-608(a)(2). On consummation of the proposal, BB&T would control less than 10 percent of the total amount of deposits of insured depository institutions ("total deposits") in the United States. BB&T would also control less than 30 percent of total deposits in Georgia. All other requirements of section 3(d) would be met on consummation of the proposal.

substantially lessen competition in any relevant banking market, unless the anticompetitive effects of the proposal are clearly outweighed in the public interest by the probable effect of the proposal in meeting the convenience and needs of the community to be served.<sup>10</sup>

BB&T and Main Street compete directly in the Atlanta Area and the Athens Area banking markets in Georgia.<sup>11</sup> The Board has reviewed carefully the competitive effects of the proposal in both banking markets in light of all the facts of record. In particular, the Board has considered the number of competitors that would remain in the markets, the relative shares of total deposits in depository institutions in the markets (“market deposits”) controlled by BB&T and Main Street,<sup>12</sup> the concentration level of market deposits and the increase in this level as measured by the Herfindahl-Hirschman Index (“HHI”) under the Department of Justice Merger Guidelines (“DOJ Guidelines”),<sup>13</sup> and other characteristics of the markets.

---

<sup>10</sup> 12 U.S.C. § 1842(c)(1).

<sup>11</sup> These banking markets are described in Appendix A.

<sup>12</sup> Deposit and market share data are as of June 30, 2005, and are based on calculations in which the deposits of thrift institutions are included at 50 percent. The Board previously has indicated that thrift institutions have become, or have the potential to become, significant competitors of commercial banks. *See, e.g., Midwest Financial Group*, 75 Federal Reserve Bulletin 386, 387 (1989); *National City Corporation*, 70 Federal Reserve Bulletin 743, 744 (1984). Thus, the Board regularly has included thrift deposits in the market share calculation on a 50 percent weighted basis. *See, e.g., First Hawaiian, Inc.*, 77 Federal Reserve Bulletin 52, 55 (1991).

<sup>13</sup> Under the DOJ Guidelines, a market is considered unconcentrated if the post-merger HHI is under 1000, moderately concentrated if the post-merger HHI is between 1000 and 1800, and highly concentrated if the post-merger HHI exceeds 1800. The Department of Justice (“DOJ”) has informed the Board that a bank merger or acquisition generally will not be challenged (in the absence of other factors indicating anticompetitive effects) unless the

Consummation of the proposal would be consistent with Board precedent and within the thresholds in the DOJ Guidelines in both banking markets. After consummation, each market would remain unconcentrated, as measured by the HHI. In addition, the increase in concentration would be small and numerous competitors would remain in each market.<sup>14</sup>

The DOJ also has reviewed the anticipated competitive effects of the proposal and has advised the Board that consummation of the transaction likely would not have a significantly adverse effect on competition in any relevant banking market. In addition, the appropriate banking agencies have been afforded an opportunity to comment and have not objected to the proposal.

Based on all the facts of record, the Board concludes that consummation of the proposal would not have a significantly adverse effect on competition or on the concentration of resources in the Atlanta Area or Athens Area banking markets or in any other relevant banking market. Accordingly, the Board has determined that competitive considerations are consistent with approval.

#### Financial, Managerial, and Supervisory Considerations

Section 3 of the BHC Act requires the Board to consider the financial and managerial resources and future prospects of the companies and depository institutions involved in the proposal and certain other supervisory factors. The Board has considered these factors in light of all the facts of record, including

---

post-merger HHI is at least 1800 and the merger increases the HHI by more than 200 points. The DOJ has stated that the higher-than-normal HHI thresholds for screening bank mergers and acquisitions for anticompetitive effects implicitly recognize the competitive effects of limited-purpose and other nondepository financial entities.

<sup>14</sup> The effect of the proposal on the concentration of banking resources in each market is described in Appendix B.

confidential reports of examination and other supervisory information received from the federal and state supervisors of the organizations involved, publicly reported and other financial information, information provided by BB&T, and public comments received on the proposal.<sup>15</sup>

In evaluating financial factors in expansion proposals by banking organizations, the Board reviews the financial condition of the organizations involved on both a parent-only and consolidated basis, as well as the financial condition of the subsidiary banks and significant nonbanking operations. The Board considers a variety of factors in this evaluation, including capital adequacy, asset quality, and earnings performance. In assessing financial factors, the Board consistently has considered capital adequacy to be especially important. The Board also evaluates the financial condition of the combined organization at consummation, including its capital position, asset quality, and earnings prospects, and the impact of the proposed funding of the transaction.

The Board has carefully considered the proposal under the financial factors. BB&T, all its subsidiary banks, and Main Street Bank are well capitalized and would remain so on consummation of the proposal. Based on its review of the record, the Board finds that BB&T has sufficient financial resources to effect the proposal. The proposed transaction is structured as a share exchange.

---

<sup>15</sup> A commenter expressed concern about BB&T's relationships with unaffiliated pawn shops and other nontraditional providers of financial services. As a general matter, the activities of the consumer finance businesses identified by the commenter are permissible, and the businesses are licensed by the states where they operate. BB&T has stated that it does not focus on marketing credit services to such nontraditional providers and that it makes loans to those firms under the same terms, circumstances, and due diligence procedures applicable to BB&T's other small business borrowers. BB&T has also represented that it does not play any role in the lending practices, credit review, or other business practices of those firms.

The Board also has considered the managerial resources of the organizations involved and the proposed combined organization. The Board has reviewed the examination records of BB&T, Main Street, and their subsidiary banks, including assessments of their management, risk-management systems, and operations. In addition, the Board has considered its supervisory experiences and those of the other relevant banking supervisory agencies with the organizations and their records of compliance with applicable banking law. BB&T, Main Street, and their subsidiary depository institutions are considered to be well managed. The Board also has considered BB&T's plans for implementing the proposal, including the proposed management after consummation.

Based on all the facts of record, the Board has concluded that considerations relating to the financial and managerial resources and future prospects of the organizations involved in the proposal are consistent with approval, as are the other supervisory factors under the BHC Act.

#### Convenience and Needs Considerations

In acting on a proposal under section 3 of the BHC Act, the Board also must consider the effects of the proposal on the convenience and needs of the communities to be served and take into account the records of the relevant insured depository institutions under the Community Reinvestment Act ("CRA").<sup>16</sup> The CRA requires the federal financial supervisory agencies to encourage insured depository institutions to help meet the credit needs of the local communities in which they operate, consistent with their safe and sound operation, and requires the appropriate federal financial supervisory agency to take into account a relevant depository institution's record of meeting the credit needs of its entire community,

---

<sup>16</sup> 12 U.S.C. § 2901 et seq.; 12 U.S.C. § 1842(c)(2).

including low- and moderate-income (“LMI”) neighborhoods, in evaluating bank expansionary proposals.<sup>17</sup>

The Board has considered carefully all the facts of record, including evaluations of the CRA performance records of BB&T’s subsidiary banks and Main Street Bank, data reported by BB&T under the Home Mortgage Disclosure Act (“HMDA”),<sup>18</sup> other information provided by BB&T, confidential supervisory information, and public comment received on the proposal. A commenter opposed the proposal and alleged, based on 2004 HMDA data, that BB&T engaged in discriminatory treatment of minority individuals in its home mortgage lending.

#### A. CRA Performance Evaluations

As provided in the CRA, the Board has evaluated the convenience and needs factor in light of the evaluations by the appropriate federal supervisors of the CRA performance records of the relevant insured depository institutions. An institution’s most recent CRA performance evaluation is a particularly important consideration in the applications process because it represents a detailed, on-site evaluation of the institution’s overall record of performance under the CRA by its appropriate federal supervisor.<sup>19</sup>

BB&T’s largest subsidiary bank, as measured by total deposits, is BB&T Bank.<sup>20</sup> The bank received an “outstanding” rating by the FDIC, at its most recent CRA performance evaluation, as of December 20, 2004. BB&T’s remaining subsidiary banks all received “satisfactory” ratings at their most recent

---

<sup>17</sup> 12 U.S.C. § 2903.

<sup>18</sup> 12 U.S.C. § 2801 *et seq.*

<sup>19</sup> See Interagency Questions and Answers Regarding Community Reinvestment, 66 Federal Register 36,620, 36,640 (2001).

<sup>20</sup> As of December 31, 2005, BB&T Bank accounted for approximately 67.2 percent of the total domestic deposits of BB&T’s four subsidiary banks.

CRA evaluations.<sup>21</sup> Main Street Bank received a “satisfactory” rating at its most recent CRA performance evaluation by the FDIC, as of December 14, 2004. BB&T has represented that its CRA and consumer compliance programs would be implemented at the operations acquired from Main Street after the merger of BB&T Bank and Main Street Bank.

#### B. HMDA and Fair Lending Record

The Board has carefully considered the lending record and HMDA data of BB&T in light of public comment about its record of lending to minorities. A commenter alleged, based primarily on 2004 HMDA data, that BB&T had disproportionately denied applications for HMDA-reportable loans by African-American and Latino applicants. The commenter also asserted that BB&T made higher-cost loans<sup>22</sup> more frequently to African Americans and Latinos than to nonminorities.<sup>23</sup> The Board has analyzed the 2004 HMDA data reported by BB&T’s subsidiary banks in the Metropolitan Statistical Areas (“MSAs”) of Atlanta-Sandy Springs-Marietta, Charlotte-Gastonia-Concord, Durham,

---

<sup>21</sup> Appendix C lists the most recent CRA ratings of BB&T’s other subsidiary banks.

<sup>22</sup> Beginning January 1, 2004, the HMDA data required to be reported by lenders were expanded to include pricing information for loans on which the annual percentage rate (APR) exceeds the yield for U.S. Treasury securities of comparable maturity by 3 or more percentage points for first-lien mortgages and by 5 or more percentage points for second-lien mortgages. 12 CFR 203.4.

<sup>23</sup> The commenter also expressed concern about referrals of loan applicants to Lendmark Financial Services (“LFS”), a nonbank subsidiary of BB&T that makes subprime loans. BB&T has represented that it might refer to LFS applications denied by a BB&T subsidiary bank that do not meet the bank’s underwriting guidelines. Before making a referral, however, these applications undergo an internal second-review procedure. In addition, BB&T notes that LFS has a policy to refer applicants who meet the Freddie Mac underwriting guidelines to BB&T’s subsidiary banks.

Raleigh-Cary, Washington-Arlington-Alexandria, and Winston-Salem; and in their assessment areas statewide in Georgia, Kentucky, Maryland, and North Carolina.<sup>24</sup>

Although the HMDA data might reflect certain disparities in the rates of loan applications, originations, denials, or pricing among members of different racial or ethnic groups in certain local areas, they provide an insufficient basis by themselves on which to conclude whether or not BB&T or its subsidiaries are excluding or imposing higher costs on any racial or ethnic group on a prohibited basis. The Board recognizes that HMDA data alone, even with the recent addition of pricing information, provide only limited information about the covered loans.<sup>25</sup> HMDA data, therefore, have limitations that make them an inadequate basis, absent other information, for concluding that an institution has engaged in illegal lending discrimination.

The Board is nevertheless concerned when HMDA data for an institution indicate disparities in lending and believes that all lending institutions are obligated to ensure that their lending practices are based on criteria that ensure not only safe and sound lending but also equal access to credit by creditworthy applicants regardless of their race. Because of the limitations of HMDA data, the Board has considered these data carefully and taken into account other

---

<sup>24</sup> In addition, the Board analyzed 2004 HMDA data reported by LFS in the Charlotte-Gastonia-Concord MSA and statewide in North Carolina.

<sup>25</sup> The data, for example, do not account for the possibility that an institution's outreach efforts may attract a larger proportion of marginally qualified applicants than other institutions attract and do not provide a basis for an independent assessment of whether an applicant who was denied credit was, in fact, creditworthy. In addition, credit history problems, excessive debt levels relative to income, and high loan amounts relative to the value of the real estate collateral (reasons most frequently cited for a credit denial or higher credit cost) are not available from HMDA data.

information, including examination reports that provide on-site evaluations of compliance by BB&T's subsidiary banks with fair lending laws. In the fair lending reviews that were conducted in conjunction with the most recent CRA performance evaluations of those banks, examiners noted no substantive violations of applicable fair lending laws.

The record also indicates that BB&T has taken steps to ensure compliance with fair lending and other consumer protection laws. BB&T employs an internal second-review process for home loan applications that would otherwise be denied and analyzes its HMDA data periodically. Furthermore, BB&T monitors its compliance with fair lending laws by analyzing disparities in its rates of lending for select products and markets, and by conducting a more extensive internal comparative file review when merited. Finally, BB&T provides fair lending training to its lending personnel, including training to help ensure that loan originators consistently disseminate credit-assistance information to applicants.

The Board also has considered the HMDA data in light of other information, including the CRA performance records of each of BB&T's subsidiary banks. Their established efforts and records demonstrate that BB&T is active in helping to meet the credit needs of its entire communities.

### C. Conclusion on CRA Performance Records

The Board has carefully considered all the facts of record, including reports of examination of the CRA records of the institutions involved, information provided by BB&T, comments received on the proposal, and confidential supervisory information. BB&T represented that the proposed transaction would provide Main Street customers with expanded products and services. Based on a review of the entire record, and for the reasons discussed above, the Board concludes that considerations relating to the convenience and needs factor and

the CRA performance records of the relevant depository institutions are consistent with approval.

### Nonbanking Activities

As noted, BB&T also has filed a notice under sections 4(c)(8) and 4(j) of the BHC Act to engage in data processing activities through the acquisition of MSB Data, which provides payroll services to small businesses. The Board has determined by regulation that financial and banking data processing activities are permissible for a bank holding company under Regulation Y,<sup>26</sup> and BB&T has committed to conduct these activities in accordance with the limitations set forth in Regulation Y and the Board's orders governing these activities.

To approve this notice, the Board must also determine that the performance of the proposed activities by BB&T "can reasonably be expected to produce benefits to the public . . . that outweigh possible adverse effects, such as undue concentration of resources, decreased or unfair competition, conflicts of interests, or unsound banking practices."<sup>27</sup> As part of its evaluation of these factors, the Board has considered the financial and managerial resources of BB&T and Main Street and their subsidiaries, and the effect of the proposed transaction on their resources. For the reasons noted above, and based on all the facts of record, the Board has concluded that financial and managerial considerations are consistent with approval of the notice.

The Board also has carefully considered the competitive effects of BB&T's proposed acquisition of MSB Data in light of all the facts of record. BB&T and Main Street both engage in activities related to data processing. The market for the activity is regional or national in scope and unconcentrated. The

---

<sup>26</sup> 12 CFR 225.28(b)(14).

<sup>27</sup> See 12 U.S.C. § 1843(j)(2)(A).

record in this case also indicates that there are numerous providers of these services. Accordingly, the Board concludes that BB&T's acquisition of MSB Data would not have a significantly adverse effect on competition in any relevant market.

The acquisition of MSB Data by BB&T would benefit the public by allowing BB&T to offer expanded payroll products and services to customers in the Atlanta area. After consummation, BB&T intends to merge MSB Data with and into BB&T's data processing subsidiary, BB&T Payroll Services, Inc. BB&T represented that this merger would provide customers of MSB Data with access to BB&T's more advanced technology and software systems on which to run their payroll systems and expanded support for the payroll services that are offered. Customers also would have access to additional payroll products and services, such as payroll cards and a secure online payroll service.

The Board concludes that the conduct of the proposed nonbanking activities within the framework of Regulation Y and Board precedent can reasonably be expected to produce public benefits that would outweigh any likely adverse effects. Accordingly, based on all the facts of record, the Board has determined that the balance of the public benefits factor under section 4(j)(2) of the BHC Act is consistent with approval.<sup>28</sup>

---

<sup>28</sup> A commenter asserted that the Board should, in the context of the current proposal, review BB&T's recently announced plans to acquire the assets of FSB Financial Ltd. ("FSB"), Arlington, Texas, a nonbanking company that purchases automobile-loan portfolios. The FSB acquisition is not related to the current proposal. Moreover, if the FSB acquisition is consummated under authority of section 4(k) of the BHC Act, the acquisition would not require prior approval of the Federal Reserve System. BB&T would require prior Federal Reserve System approval if the acquisition were proposed under sections 4(c)(8) and 4(j) of the BHC Act, and the transaction would be reviewed in light of the requirements and standards discussed above.

## Conclusion

Based on the foregoing and all facts of record, the Board has determined that the application and notice should be, and hereby are, approved.<sup>29</sup> In reaching its conclusion, the Board has considered all the facts of record in light of the factors that it is required to consider under the BHC Act. The Board's approval is specifically conditioned on compliance by BB&T with the conditions imposed in this order and the commitments made to the Board in connection with the application and notice. The Board's approval of the nonbanking aspects of the proposal is also subject to all the conditions set forth in Regulation Y, including

---

<sup>29</sup> A commenter requested that the Board hold a public hearing or meeting on the proposal. Section 3 of the BHC Act does not require the Board to hold a public hearing on an application unless the appropriate supervisory authority for any of the banks to be acquired makes a timely written recommendation of denial of the application. The Board has not received such a recommendation from any supervisory authority. The Board's regulations provide for a hearing under section 4 of the BHC Act if there are disputed issues of material fact that cannot be resolved in some other manner. 12 CFR 225.25(a)(2). Under its rules, the Board also may, in its discretion, hold a public meeting or hearing on an application to acquire a bank if a meeting or hearing is necessary or appropriate to clarify factual issues related to the application and to provide an opportunity for testimony. 12 CFR 225.16(e). The Board has considered carefully the commenter's request in light of all the facts of record. In the Board's view, the commenter had ample opportunity to submit comments on the proposal and, in fact, submitted written comments that the Board has considered carefully in acting on the proposal. The request fails to identify disputed issues of fact that are material to the Board's decision that would be clarified by a public meeting or hearing. Moreover, the commenter's request fails to demonstrate why its written comments do not present its views adequately or why a meeting or hearing otherwise would be necessary or appropriate. For these reasons, and based on all the facts of record, the Board has determined that a public hearing or meeting is not required or warranted in this case. Accordingly, the request for a public hearing or meeting on the proposal is denied.

those in sections 225.7 and 225.25(c),<sup>30</sup> and to the Board's authority to require such modification or termination of the activities of the bank holding company or any of its subsidiaries as the Board finds necessary to ensure compliance with, and to prevent evasion of, the provisions of the BHC Act and the Board's regulations and orders issued thereunder. For purposes of this action, the conditions and commitments are deemed to be conditions imposed in writing by the Board in connection with its findings and decision herein and, as such, may be enforced in proceedings under applicable law.

The proposed banking acquisitions may not be consummated before the fifteenth calendar day after the effective date of this order, and no part of the proposal may be consummated later than three months after the effective date of this order, unless such period is extended for good cause by the Board or the Federal Reserve Bank of Richmond, acting pursuant to delegated authority.

By order of the Board of Governors,<sup>31</sup> effective March 27, 2006.

*(signed)*

---

Robert deV. Frierson  
Deputy Secretary of the Board

---

<sup>30</sup> 12 CFR 225.7 and 225.25(c).

<sup>31</sup> Voting for this action: Chairman Bernanke and Governors Bies, Olson, Kohn, Warsh, and Kroszner. Absent and not voting: Vice Chairman Ferguson.

APPENDIX A

Georgia Banking Markets in which  
BB&T and Main Street Compete Directly

*Athens Area*

Clarke, Jackson, Madison, Oconee, and Oglethorpe Counties; and Barrow County, excluding the cities of Auburn and Winder.

*Atlanta Area*

Bartow, Cherokee, Clayton, Cobb, Coweta, DeKalb, Douglas, Fayette, Forsyth, Fulton, Gwinnett, Henry, Newton, Paulding, Rockdale, and Walton Counties; Hall County, excluding the town of Clermont; the towns of Auburn and Winder in Barrow County; and the town of Luthersville in Meriwether County.

## APPENDIX B

### Market Data for Georgia Banking Markets

#### *Athens Area*

BB&T operates the 17th largest depository institution in the Athens Area banking market, controlling deposits of \$47.4 million, which represent 1.5 percent of market deposits. Main Street operates the 11th largest depository institution in the market, controlling deposits of approximately \$106.9 million, which represent 3.3 percent of market deposits. After consummation of the proposal, BB&T would become the eighth largest depository organization in the market, controlling deposits of approximately \$154.3 million, which represent approximately 4.8 percent of market deposits. The HHI would increase 10 points to 888. Twenty-two bank and thrift competitors would remain in the banking market.

#### *Atlanta Area*

BB&T operates the sixth largest depository institution in the Atlanta Area banking market, controlling deposits of \$2.1 billion, which represent 2.4 percent of market deposits. Main Street operates the seventh largest depository institution in the market, controlling deposits of approximately \$1.6 billion, which represent 1.8 percent of market deposits. After consummation of the proposal, BB&T would become the fifth largest depository organization in the market, controlling deposits of approximately \$3.7 billion, which represent approximately 4.1 percent of market deposits. The HHI would increase 8 points to 1557. One hundred and eight bank and thrift competitors would remain in the banking market.

APPENDIX C

CRA Performance Evaluations of BB&T's Banks

<u>Bank</u>	<u>CRA Rating</u>	<u>Date</u>	<u>Supervisor</u>
1. Branch Banking and Trust Company, Winston-Salem, North Carolina	Outstanding	December 2004	FDIC
2. Branch Banking and Trust Company of South Carolina, Greenville, South Carolina	Satisfactory	December 2004	FDIC
3. Branch Banking and Trust Company of Virginia, Richmond, Virginia	Satisfactory	December 2004	FDIC
4. BB&T Bankcard Corporation, Columbus, Georgia	Satisfactory	May 2005	FDIC