



**Conditional Approval #1261  
March 2021**

February 25, 2021

Scott Kitching  
Executive Vice President and General Counsel  
Ceridian HCM, Inc.  
3311 East Old Shakopee Road  
Minneapolis, MN 55425

Re: Application to charter Ceridian National Trust Bank, Minneapolis, Minnesota  
OCC Control Number: 2020-NE-Charter-315985  
National Charter Number: 25237

Dear Mr. Kitching:

The Office of the Comptroller of the Currency (OCC) hereby grants preliminary conditional approval of the application to charter Ceridian National Trust Bank, Minneapolis, Minnesota, (Bank) having determined that your proposal meets certain regulatory and policy requirements. This preliminary conditional approval is granted after a thorough review of the application, other materials supplied by the applicant's representatives, and all information available to the OCC, including commitments and representations made in the application and during the application process. This approval also is subject to the conditions set out herein.

The OCC has granted preliminary conditional approval only. Final approval and authorization for the Bank to open and engage in fiduciary activities will not be granted until all pre-opening requirements are met. The OCC's decision to grant preliminary conditional approval is made with the understanding that the proposed Bank will apply for Federal Reserve membership.

**The Proposed Bank**

An application was made to the OCC under 12 USC 21 through 27, 92a and 12 CFR 5.20 to charter the Bank, an uninsured national bank whose operations would be limited to those of a trust company and activities related thereto. *See* 12 USC 27(a) (last sentence).

The application was made on behalf of Ceridian HCM, Inc. (Ceridian), the primary United States operating subsidiary of Ceridian HCM Holding Inc. (Ceridian Holding), which is a global human capital management services and software company. Ceridian provides human capital management and software services to employers in the United States (Employer Clients). These services include payroll, payroll-related tax filing, human resource information systems, employee self-service, time and labor management, recruitment, and applicant screening.

Ceridian uses a trust in the delivery of its payroll services. Ceridian's Employer Clients' funds are currently held in an existing trust (Clients' Funds Trust) established by Ceridian as grantor for the benefit of Employer Clients and for which a third-party state-chartered institution serves as trustee.

Ceridian proposed to establish the Bank in order to bring the operation of the trust and trustee within the Ceridian group. The Bank will be a direct wholly owned subsidiary of Ceridian and an indirect wholly owned subsidiary of Ceridian Holding. The Bank will serve as trustee of the Employer Funds Trust, which will replace the current Clients' Funds Trust.

This preliminary conditional approval also grants to the Bank the authority to conduct fiduciary powers, under 12 USC 92a and 12 CFR 5.26.

### **Organizational Phase Requirements**

The OCC poses no objection to the following persons serving as executive officers, directors, and/or organizers as proposed in the application:

Name	Title
Nicholas D. Cucci	Organizer, Director, President and Trust Officer
Christopher R. Armstrong	Organizer, Director
Michelle D. Nicklow	Organizer, Director
Kelley J. Johnson	Organizer, Director
Confidential Organizer <sup>1</sup>	Organizer, Director, Chairwoman of the Board
Deborah C. Krijakin	Chief Operating Officer
Jeffrey S. Jacobs	Chief Financial Officer
Bryan L. Odenwald	Chief Risk Officer
Warren D. Perlman	Chief Information Officer
Beau J. Hurtig	Chief Legal Officer
Jenna C. Partisano-Vyas	Internal Auditor

Prior to the Bank's opening, the Bank must obtain the OCC's prior written determination of no objection for any additional organizers or executive officers, or directors appointed or elected before the person assumes the position.

Background checks requested by the OCC have not been received yet for certain of the directors and/or officers. Accordingly, the continued service of those individuals will be dependent on satisfactory completion of the background investigation process.

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<sup>1</sup> Confidential treatment of this organizer was requested.

The “Charters” booklet in the Comptroller’s Licensing Manual provides guidance for organizing your bank. The booklet is located at the OCC's web site:

<https://www.occ.gov/publications/publications-by-type/licensing-manuals/charters.pdf>. The booklet contains steps you must take to receive final approval. As detailed in the booklet, you may establish the corporate existence of and begin organizing the Bank as soon as you adopt and forward Articles of Association and the Organization Certificate to the Northeastern District Licensing office for the OCC’s review and acceptance. As a body corporate or legal entity, you may begin taking steps necessary for obtaining final approval.

The Bank must also satisfy the pre-opening requirements outlined in in a separate letter of today’s date (Supplemental Letter) before the OCC will grant final approval for the Bank to commence business.

### **Conditions**

This approval is subject to following conditions:

1. The Bank shall limit its business to the operations of a trust company and activities related or incidental thereto. The Bank shall not engage in activities that would cause it to be a “bank” as defined in section 2(c) of the Bank Holding Company Act.
2. Within three (3) business days after opening, the Bank shall enter into a written Operating Agreement with the OCC on terms and conditions acceptable to the OCC. The Bank shall thereafter implement and adhere to the terms of the Operating Agreement. This condition shall remain in effect until the Operating Agreement is terminated under the provisions set forth in the Operating Agreement.
3. Within three (3) business days after the effective date of the Operating Agreement between the Bank and the OCC, the Bank shall enter into a written Capital and Liquidity Support Agreement (CSA) with Ceridian Holding, Ceridian, and the OCC on terms and conditions acceptable to the OCC, setting forth the Ceridian Holding’s and Ceridian’s obligation to provide capital and liquidity support to the Bank, if and when necessary. The Bank shall thereafter implement and adhere to the terms of the CSA.
4. Within three (3) business days after the effective date of the Operating Agreement between the Bank and the OCC, the Bank shall enter into a written Capital Assurance and Liquidity Maintenance Agreement (CALMA) with Ceridian Holding and Ceridian on terms and conditions acceptable to the OCC, setting forth Ceridian Holding’s and Ceridian’s obligation to provide capital and liquidity support to the Bank, if and when necessary. The Bank shall thereafter implement and adhere to the terms of the CALMA.

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These conditions of approval are conditions “imposed in writing by a Federal banking agency in connection with any action on any application, notice, or other request” within the meaning of 12 USC 1818. As such, the conditions are enforceable under 12 USC 1818.

## **Conclusion**

This preliminary conditional approval and the activities and communications by OCC employees in connection with the filing do not constitute a contract, express or implied, or any other obligation binding upon the OCC, the United States, any agency or entity of the United States, or any officer or employee of the United States, and do not affect the ability of the OCC to exercise its supervisory, regulatory and examination authorities under applicable law and regulations.

This preliminary conditional approval is based on the applicant’s representations, submissions, and information available to the OCC as of this date. The OCC may modify, suspend or rescind this preliminary conditional approval, if a material change in the information on which the OCC relied occurs prior to the date of the any final approval. The foregoing may not be waived or modified by any employee or agent of the OCC or the United States.

If you have any questions, please contact Sandya Reddy, Senior Licensing Analyst, Northeastern District Licensing at (212) 790-4049 or by e-mail at [sandya.reddy@occ.treas.gov](mailto:sandya.reddy@occ.treas.gov). Please include the OCC Control Number listed above in all written correspondence.

Sincerely,

/signed/

Stephen A. Lybarger  
Deputy Comptroller for Licensing

cc: Lawrence D. Kaplan, Esq., Paul Hastings LLP