

Conditional Approval #1344
September 2025

August 5, 2025

Paul W. Scott, Esq.
Associate General Counsel
Office of the General Counsel
The Vanguard Group, Inc.
Post Office Box 2600
Valley Forge, Pennsylvania 19482-2600

Subject: Rebuttal of Control by The Vanguard Group, Inc., Malvern, Pennsylvania
Paycom National Trust Bank, Oklahoma City, Oklahoma, Charter Number 25289
OCC Application Control Number 2025-CBCA-342464

Dear Associate General Counsel Scott:

I am writing on behalf of the Office of the Comptroller of the Currency, U.S. Treasury Department (OCC) in response to your letter of June 30, 2025, on behalf of The Vanguard Group, Inc., and its subsidiaries and affiliates (hereinafter collectively Vanguard) seeking to rebut the applicable presumption of control under section 17(j) of the Federal Deposit Insurance Act, 12 USC 1817(j) (the Change in Bank Control Act, or CBCA), and the OCC's corresponding regulations at 12 CFR 5.50. Specifically, Vanguard seeks to rebut the presumption of control with respect to the holdings by mutual funds, other pooled investment vehicles, and separate accounts that Vanguard directly and indirectly sponsors, manages, or advises in Paycom Software, Inc. (PAYC). PAYC owns and controls Paycom National Trust Bank (PNTB), a non-depository national trust bank. Vanguard proposed to control more than 10 percent of the voting shares of PAYC, resulting in the presumption of indirect control of PNTB by Vanguard for purposes of 12 USC 1817(j) and 12 CFR 5.50.

In your letter, you note that Vanguard may from time to time and as part of their ordinary course investment activities, in aggregate, acquire more than 10 percent of the voting securities of PAYC. However, Vanguard does not seek to control or to influence the day-to-day management or policies of PAYC or PNTB. To rebut the presumption of control and ensure that Vanguard will not exercise a controlling influence over PAYC or PNTB, Vanguard provided the attached Passivity Commitments, which are consistent with the passivity commitments set out in the "Change in Bank Control" booklet of the *Comptroller's Licensing Manual*.

Based on the Passivity Commitments, the OCC finds that the information submitted is sufficient to rebut the presumption of control and poses no objection to Vanguard's retention or acquisition of ownership of PAYC's voting shares aggregating 10 percent or more but less than 25 percent. This decision to grant a waiver of the requirements to file a "Notice of Change in Bank Control" is subject to the condition that Vanguard adhere to the conditions and requirements of the attached Passivity Commitments. This condition is a condition "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 condition is enforceable under 12 USC 1818.

This decision does not change or eliminate any future filing requirements under the CBCA or 12 CFR 5.50 should the facts or circumstances of the ownership structure change.

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

Please include the OCC Control Number on any correspondence related to this filing. If you have any questions, please contact Director for Large Bank Licensing Jason Almonte at jason.almonte@occ.treas.gov.

Sincerely,

/s/

Sebastian R. Astrada
Director for Licensing

cc: Satish M. Kini, Esq., Debevoise & Plimpton LLP

Attachment

**PASSIVITY COMMITMENTS BY THE VANGUARD GROUP, INC.
REGARDING INVESTMENTS IN 10% OR MORE OF ANY CLASS OF VOTING
SECURITIES ISSUED BY PAYCOM SOFTWARE, INC.**

The Vanguard Group, Inc., and its subsidiaries and affiliates and, together with the investment companies registered under the Investment Company Act of 1940, other pooled investment vehicles, and institutional accounts that are sponsored, managed, or advised by Vanguard (the “Vanguard Parties”) hereby agree with and commit to the Office of the Comptroller of the Currency (“OCC”) that the Vanguard Parties’ investments in 10% or more of any class of voting securities issued by Paycom Software, Inc. (“PAYC”) will be conducted in accordance with the following commitments.

1. Any acquisition of shares equal to or in excess of 10% of a class of voting securities in PAYC will be exclusively for investment purposes.
2. The Vanguard Parties will not:
 - a. Seek to serve or have a representative on the boards of directors of PAYC or Paycom National Trust Bank (“PNTB”); and
 - b. Pledge the shares acquired in PAYC to secure a loan with any financial institution.
3. The Vanguard Parties will have only limited contacts with PAYC’s and PNTB’s management that are customary for interested shareholders.
4. The Vanguard Parties will engage in only normal and customary banking transactions with PAYC and PNTB.
5. The Vanguard Parties will grant management a proxy for all voting shares of PAYC equal to or in excess of 10% of the outstanding voting shares (“excess shares”), directing that such excess shares be voted in the same proportion as all other shares voted by all other shareholders.

The Vanguard Parties also agree that, in the event any of the above commitments are not strictly adhered to, the Vanguard Parties will have intentionally exercised a controlling interest in PAYC and, therefore, will be subject to administrative action by the OCC.

The Vanguard Parties agree to file a notice or otherwise receive a written opinion from the OCC that a notice need not be filed, if the Vanguard Parties wish to deviate from any of the above commitments.

/s/

John E. Schadl
Principal and Deputy General Counsel
The Vanguard Group, Inc.

Date