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Farmington State Bank Fall Shows Risk of Pivoting Without Regulatory Permission

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James W. Stevens

James Stevens, a co-leader of Troutman Pepper's Financial Services Industry Group, was quoted in the September 12, 2023 *S&P Global Market Intelligence* article, "Farmington State Bank Fall Shows Risk of Pivoting Without Regulatory Permission."

James Stevens, partner and co-leader of Troutman Pepper Hamilton Sanders LLP's Financial Services Industry Group, believes the bank's concentration in the crypto industry was regulator's main qualm.

"It is extraordinary for a violation of a commitment to the regulators to lead to a winding down of the bank," he said in an interview. "You're not going to be forced to wind down your bank because you failed to get approval. But I think that the fact that they got so concentrated in this business, and this business … now is not what it was expected to be back when they got into it — this crypto business — that's what's really leading to this extraordinary winddown commitment that they have entered into with the regulators."

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