

Press Coverage | September 12, 2023

Farmington State Bank Fall Shows Risk of Pivoting Without Regulatory Permission

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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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