



---

**Comptroller of the Currency  
Administrator of National Banks**

---

Bank Organization and Structure  
Southwestern District Office  
1600 Lincoln Plaza  
500 North Akard  
Dallas, Texas 75201-3342

**Conditional Approval #427  
December 2000**

November 17, 2000

Allan C. Kramer, M.D.  
280 Second Street, Suite 100  
Los Altos, CA 94022

Re: De Novo Charter, Bridge Bank of Silicon Valley, National Association, Santa Clara, California; Application Control No. 2000-WE-01-0018

Dear Dr. Kramer:

The Comptroller of the Currency (OCC) has reviewed your application to establish a new national bank with the title of *Bridge Bank of Silicon Valley, National Association*. On November 17, 2000, after a thorough evaluation of all data available to the OCC, we found that your proposal met the requirements for preliminary conditional approval. The bank also may offer credit life, health, and accident insurance in accordance with 12 CFR 2.

This approval is granted based on a thorough review of all information available, including the representations and commitments made in the application and by the proposed bank's representatives. We also made our decision to grant preliminary conditional approval with the understanding that the proposed national bank will apply for membership in the Federal Reserve System and obtain FDIC insurance.

You have represented that at least initially the bank will not open accounts through the Internet, but rather through the banking office. Any plans to offer online account opening will need to be reviewed and approved by the OCC as a significant deviation or change from the proposed operating plan.

The final charter approval will be subject to the following conditions:

- The bank shall obtain prior approval from the OCC's San Francisco Field Office before any significant deviation or change from the proposed operating plan occurs during the bank's first three years of operation. The bank must notify the San Francisco Field Office at least sixty (60) days prior to any proposed significant deviation or change. This condition is enforceable under 12 USC §1818. The bank must also provide a copy of such notice to the FDIC's San Francisco Regional Office. If the deviation or change is related to electronic banking, you should also provide a copy of the notice to the Senior Advisor for Electronic Banking in OCC Bank Organization and Structure, Washington, D.C.
- The bank must notify all potential technology-related vendors in writing of the OCC's examination and regulatory authority under 12 U.S.C. ' 1867(c). All final technology-related vendor contracts must stipulate that the performance of services provided by the vendors to the bank is subject to the OCC's examination and regulatory authority.

The above listed conditions will be deemed to be "conditions imposed in writing by the agency in connection with the granting of any application or other request" within the meaning of 12 U.S.C. ' 1818(b)(1). As such, the conditions are enforceable under 12 U.S.C. ' 1818.

In addition to the standard requirements (attached), the bank must meet the following special requirements prior to opening:

- The bank must submit to the OCC for review and approval a complete description of the bank's final information systems and operations architecture as well as the information systems risk assessment and management plan. This should include a schematic drawing and discussion of the following items:
  - Vendor due diligence and contracts; electronic banking security mechanisms and policies; personnel; internal controls; audit plans; and operating policies and procedures including, but not limited to, vendor management, customer authentication, privacy, and disaster recovery and business resumption plans.
- The bank must have performed an independent security review and test of its electronic banking platform. The scope of the review should encompass all access points, including the Internet, Intranet, or remote access. The bank must have this review performed regardless of whether the platform is operated in-house or by one or more third-party service providers. If the bank outsources the technology platform, it can rely upon testing performed for the service provider to the extent that it satisfies

the scope and requirements listed herein. The review must be conducted by an objective, qualified, independent source ("Reviewer"). The scope must cover the adequacy of physical and logical protection against unauthorized internal and external access including individual penetration attempts, computer viruses, denial of service, and other forms of electronic access. By written report, the Reviewer must confirm that the security measures, including the firewall, have been satisfactorily implemented and tested. The report must critique the effectiveness of security policies and controls and confirm, with reasonable certainty, that unauthorized internal or external data and network access or access attempts will be detected and recorded. As a part of its decision to grant final charter approval, the OCC will consider the results of the report as well as any subsequent actions by the bank or service provider to implement any recommendations or to remedy any noted security or control deficiencies.

The operating plan, including any revisions, will provide the context for the supervisory review at the pre-opening examination. Major deviations from the plan or changes in the composition of the board of directors, ownership, or chief executive officer that the OCC has not approved may result in withdrawal of preliminary approval.

Please refer to the "Corporate Organization" booklet (enclosed) in the *Comptroller's Corporate Manual* for the instructions on organizing your bank. The booklet contains all of the steps you must take to receive your charter. As detailed in the booklet, you may establish the corporate existence of and begin organizing the bank as soon as you adopt and forward acceptable Articles of Association and the Organization Certificate to this office. As a "body corporate" or legal entity, you may begin taking those steps necessary for obtaining final approval, but you may not begin the business of banking until you fulfill all requirements for a bank in organization and you are granted final approval by the OCC.

Enclosed are standard requirements that must be met before the bank will be allowed to commence business. Management must ensure that the applicable policies and procedures are established and adopted by the board of directors before the bank begins operation.

The OCC poses no objection to Daniel P. Myers serving as President and Chief Executive Officer, Allan C. Kramer serving as Chairman of the Board or Howard B. H. Lee as serving as International Banking Officer. Additional executive officers are subject to the OCC's prior review and clearance.

Bridge Bank of Silicon Valley, National Association  
2000-WE-01-0018  
Page 4

The OCC also has no objection to the following persons serving as directors as proposed in the application: Richard M. Brenner, David V. Campbell, Julie M. Chen, Allan C. Kramer, Charles K. Lau, Howard B. H. Lee, William H. Simon, Barry Turkus, and Daniel P. Myers.

Also, please note the standard condition pertaining to OCC prior approval of additions or changes in senior executive officers and directors for two years after the bank opens for business. The *Banking Laws for Examiners*, the *Comptroller's Manual for Corporate Activities* (individual booklets), the *Comptroller's Handbook* (individual booklets covering all areas of the bank including Community Reinvestment Act, consumer compliance and trust activities) and a set of current banking circulars and bulletins, will be mailed to you under separate cover. Also, a separate letter is enclosed requesting your feedback on how we handled your application. We would appreciate your response so we may improve our service.

You should direct any questions concerning this preliminary approval to Brenda E. McNeese, NBE/Sr. Corporate Analyst or me at (214) 720-7052.

Yours truly,

/s/

Karen H. Bryant  
Licensing Manager

Enclosures: Survey Letter  
"Corporate Organization" Booklet  
Checklist A & B  
Minimum Policies and Procedures  
Standard Requirements