



Comptroller of the Currency
Administrator of National Banks

Southeastern District
Marquis One Tower, Suite 600
245 Peachtree Center Ave., N.E.
Atlanta, Georgia 30303

May 25, 2001

**Corporate Decision #2001-13
June 2001**

R. Leon Hill, III
Spokesperson
First National Bank of Baldwin County (proposed)
213 South Alston Street
Foley, Alabama 36536

Re: Application for a de novo Charter
First National Bank of Baldwin County (proposed), Foley, Alabama
Control No. 2001-SE-01-0001

Dear Mr. Hill:

The Office of the Comptroller of the Currency (OCC) has reviewed your application to establish a new national bank with the title of **First National Bank of Baldwin County**. On this date, after a thorough evaluation of all data available to the OCC, we found your proposal met the requirements for preliminary approval.

This conditional 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 approval with the understanding that the proposed national bank will apply for membership in the Federal Reserve System and obtain FDIC insurance.

Until final approval is granted, the OCC has the right to alter, suspend, or revoke preliminary approval should any interim development be deemed by the OCC to warrant such action.

The Bank's initial paid-in capital, net of organizational and pre-opening expenses, shall be no less than \$7,000,000. The manner in which capital is raised must not deviate from that described in the operating plan without prior OCC notification. If the capital for the new Bank is not raised within 12 months or if the new Bank is not opened for business within 18 months from the preliminary conditional approval date, the OCC will withdraw approval. The OCC is opposed to granting extensions, except under the most extenuating circumstances and when the OCC determines that the delay is beyond the applicant's control. The organizers are expected to proceed diligently, consistent with their application, for the Bank to open for business as soon as possible.

Final charter approval will be subject to the condition that the Bank obtain the OCC's non-objection before any significant deviation or change from the proposed operating plan during the Bank's first three years of operation. The will be required to notify the Birmingham Field Office at least sixty (60) days prior to any proposed significant deviation or change, and obtain the OCC's non-objection in writing, to such a proposed deviation or change. The Bank will also be required to provide a copy of such notice to the FDIC's Regional Office in Atlanta, Georgia.

The conditions of this approval are 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. As such, the conditions are enforceable under 12 U.S.C. 1818.

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.

After reading the instructions for the organization of a new bank, it is suggested that the spokesperson or a designated correspondent visit this Office to discuss the organizing process. We feel such a visit can save time and prevent some of the pitfalls that have delayed or prevented other banks from opening.

Enclosed with this letter 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 the following persons serving as designated senior executive officers and/or directors. Any additional executive officers are subject to the prior review and clearance of the OCC.

<u>NAME</u>	<u>POSITION</u>
R. Leon Hill	President/Director
Vincent A. Booth	Director
J. Leon Flowers	Director
Dennis L. Kaiser	Director
Pedro Mandoki	Director
Rodney A. Pilot	Director
Gerald E. Redmon	Director
Donald P. Robinson	Director
David P. Shepherd	Director
J. Wade Ward	Director

You are also reminded that for a period of two years after the bank has opened for business, the OCC must review and have no objection to any new executive officer or director prior to that person assuming such position.

In reference to 12 U.S.C. 371d, the OCC hereby approves your banks proposed investment in bank premises, including leasehold improvements, in an amount not to exceed \$3,000,000. The bank's investment in bank premises may not be increased above this specified amount without first obtaining OCC approval pursuant to 12 C.F.R. 5.37(d)(1); or if the bank meets the requirements of subparagraph (d)(3), files an after-the-fact notice.

All bank premises and fixed assets should be depreciated annually on the bank's books in accordance with generally accepted accounting principles, and all leases should be accounted for in accordance with Financial Accounting Standards Board Statement No. 13.

The OCC also hereby approves your application to establish a branch at **201 East 20th Avenue, Gulf Shores, Florida**. This approval is granted based on a thorough review of all information available, including representations and commitments made in the application and by the bank's representatives. The branch may not be opened until the bank has received final approval from the OCC to commence business.

If the branch is not opened within 18 months from the date the bank opens for business, the approval automatically terminates, unless the OCC grants an extension. If the branch is subsequently closed, a 90-day advance notice of proposed branch closing must be submitted to the OCC pursuant to *12 U.S.C. 1831r-1*. Following the closing of the branch office, this authorization is no longer valid.

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Within 10 days of opening, the bank must advise this office in writing of the branch's opening date. The branch's complete address and popular name should be provided at that time.

The preliminary charter approval and branch approval and the activities and communications by the OCC employees in connection with the filing, do not constitute a contract, express or implied, or any other obligation binding upon the OCC, the U.S., any agency or entity of the U.S., or an officer or employee of the U.S., 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 U.S.

The OCC will send to you under separate cover an appropriate set of OCC handbooks, manuals, issuances, and selected other publications.

You should direct any questions regarding this preliminary approval to Licensing Analyst Dennis Oswald at (404) 588-4525.

Sincerely,

-signed-

John O. Stein
Licensing Manager

Enclosures: Standard Requirements
ACorporate Organization@Booklet
Minimum Policies and Procedures