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Comptroller of the Currency  
Administrator of National Banks

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Comptroller of the Currency  
2345 Grand Boulevard, Suite 700  
Kansas City, MO 64108

**Conditional Approval #591  
June 2003**

Mr. John E. Thinesen  
Co-Chairman  
JDOB, Inc.  
P.O. Box 9  
Sandstone, Minnesota 55072

Re: First National Bank of Hinckley, Hinckley, Minnesota (Proposed)  
Application Control Number: 2003-MW-01-0001

Dear Mr. Thinesen:

The Comptroller of the Currency (OCC) has reviewed JDOB, Inc.'s application to establish a new national bank with the title of First National Bank of Hinckley (Bank). On this date, after a thorough evaluation of all data available to the OCC, we found that your proposal met the requirements for preliminary conditional approval.

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. Those representations include but are not limited to the new bank not relying on volatile funding sources or engaging in loan participations that involve out of area loans as reflected in the pro forma balance sheet. 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 insurance from the Federal Deposit Insurance Corporation (FDIC).

This preliminary conditional approval is subject to the condition that the Bank: (i) shall give the OCC's Minneapolis North Field Office at least sixty (60) days' prior written notice of its intent to significantly deviate or change from its business plan or operations and (ii) shall obtain the OCC's written determination of no objection before the Bank engages in any significant deviation or change from its business plan or operations.<sup>1</sup> The Bank also must provide a copy of such notice to the FDIC's Kansas City Regional Office.

In addition, the application is also conditioned upon the Bank establishing and maintaining an adequate allowance for loan and lease losses that from day one of operations will not be less than 1% of total loans.

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<sup>1</sup> If such deviation or change is the subject of an application filed with the OCC, no separate notice to the supervisory office is required.

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.

The Bank's initial paid-in capital, net of organizational and preopening expenses, shall be no less than \$4 million. The manner in which capital is raised must not deviate from that described in the business 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 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.

This is preliminary conditional approval only. Final approval will not be granted until and unless the Federal Reserve Board acts favorably on JDOB, Inc.'s application to acquire this new bank. You must furnish the OCC's Midwestern District Licensing Office with a copy of all related filings to the Federal Reserve, including registration material.

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.

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. Applicable standard requirements also must be satisfied before the bank will be allowed to commence business.

The OCC poses no objection to the following persons serving as executive officers as proposed in the application. Additional executive officers are subject to the OCC's prior review and clearance.

CEO  
President/Cashier/Senior Lending Officer

John D. O'Brien  
Dennis D. Volden

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The OCC poses no objection to John E. Thinesen, William P. Loew and David G. DeWitt serving as directors. All other directors are subject to the OCC's prior review and clearance.

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.

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

This preliminary conditional approval, and the activities and communications by OCC employees in connections 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 any 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.

You should direct any questions concerning this preliminary conditional approval to NBE/Senior Licensing Analyst Stephen A. Lybarger at (816) 556-1860.

Sincerely,

*/s/ Ellen Tanner Shepherd*

Ellen Tanner Shepherd  
Licensing Manager

Enclosures: "Corporate Organization" Booklet  
Minimum Policies and Procedures  
Standard Requirements