



Comptroller of the Currency
Administrator of National Banks

Washington, DC 20219

December 28, 1999

**Conditional Approval #346
January 2000**

Alan A. Adams, Spokesperson
55 W. Monroe, Suite 970
Chicago, Illinois 60603

Re: Application to charter a national bank in Chicago, Illinois, with the title "Baytree National Bank & Trust Company"
Application Control Number: 1999-CE-01-0010

Dear Mr. Adams:

The Office of the Comptroller of the Currency ("OCC") has reviewed your application to establish a new national bank in Chicago, Illinois, with the title of Baytree National Bank & Trust Company ("Bank"). After a thorough evaluation of all data available to the OCC, we found that your proposal met the requirements for preliminary conditional approval.

We have based our decision to grant preliminary conditional approval on a thorough review of all information available, including representations and commitments made in the application and by the organizers' representatives.

We also made our decision to grant preliminary conditional approval with the understanding that the proposed national bank will be insured by the FDIC, and will apply for membership in the Federal Reserve System.

Prior to the bank's opening, major deviations from the operating plan or changes in the composition of the board of directors, ownership, or chief executive officers that the OCC has not approved may result in withdrawal of preliminary conditional approval.

A condition of this approval is that the Bank shall provide the OCC's Chicago-North Field Office with at least thirty days notice prior to any significant deviations or changes from the proposed operating plan during the first three years of operation. This condition is enforceable pursuant to 12 U.S.C. § 1818.

Please refer to the "Corporate Organization" booklet (enclosed) of 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

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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 has no objection to the following persons serving as executive officers and directors of the proposed bank.

<u>Name</u>	<u>Proposed Position</u>
Howard D. Adams	Organizer/President/ CEO/Director
Alan A. Adams	Organizer/Chief Operating Officer/Director
William Bunn, III	Organizer/Director
Edward S. Gillette	Organizer/Director
W. Keith Smith	Organizer/Director
Raymond W. Tibbitts, Jr.	Organizer/Director

Please be advised that the OCC has not yet completed all the standard background checks on the executive officers and proposed directors. While we have decided not to delay our decision, we retain the right to seek other enforcement remedies if any significant, negative information is revealed. You are reminded that additional executive officers are subject to the prior review and clearance of the OCC. Also, 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 you an appropriate set of OCC handbooks, manuals, issuances, and selected other publications under separate cover.

The bank proposes to raise \$6 million in capital prior to commencing operations. You are reminded that, pursuant to 12 CFR §5.20(I)(5)(iii), this preliminary approval expires if the bank does not raise the capital funds within 12 months from the date of this letter. The preliminary approval also will expire if the bank has not commenced business within 18 months from the date of this letter.

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

You should direct any questions concerning this preliminary approval to National Bank Examiner Carolina Ledesma or Licensing Manager David Rogers in the Central District Office at (312) 360-8850, or to me at (202) 874-5060.

Sincerely,

/s/

Maria G. Arevalo
National Bank Examiner
Bank Organization and Structure

Enclosures

“Corporate Organization” Booklet
Standard Requirements
Minimum Policies and Procedures