
Comptroller of the Currency
Administrator of National Banks

Central District Office
One Financial Place, Suite 2700
440 South LaSalle Street
Chicago, Illinois 60605

August 10, 2000

**Conditional Approval #411
September 2000**

Mr. Matthew M. Hill
P.O. Box 1249
Palatine, Illinois 60078-1249

RE: De novo bank charter with request for fiduciary powers and messenger service branch applications for Cornerstone National Bank & Trust Company, Palatine, Illinois.
(CAIS Control Nos. 00-CE-01-009 and 00-CE-05-078)

Dear Mr. Hill:

The Comptroller of the Currency (OCC) has reviewed your applications to establish a new national bank with the title of Cornerstone National Bank & Trust Company, Palatine, Illinois, and a messenger service branch. On August 10, 2000, after a thorough evaluation of all data available to the OCC, we found that your proposal met the requirements for preliminary conditional approval. Your request for trust powers and a messenger service branch are also approved. 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.

This approval is subject to the condition that the bank shall provide the OCC's Chicago-West Field Office at least thirty days prior notice of any significant deviations or changes from the proposed operating plan during the bank's first three years of operation. This condition is enforceable under 12 USC § 1818. The bank must also provide a copy of such notice to the FDIC's Chicago Regional Office.

This is preliminary conditional 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.

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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 and directors as proposed in the application:

<u>Name</u>	<u>Position</u>
Gerald F. Fitzgerald, Jr.	Chairman of the Board
Thomas P. MacCarthy	Director, President and Chief Executive Officer
Matthew M. Hill	Director, Executive Vice President and Cashier
Jeffrey T. Boundy	Director, Executive Vice President and Senior Loan Officer
Frank J. Roth	Director, Executive Vice President and Senior Trust Officer

Additional executive officers and directors are subject to the OCC's *prior* review and clearance. You are 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.

You should direct any questions concerning this preliminary conditional approval to National Bank Examiner Travis W. Wilbert at (312) 360-8866.

Yours truly,

-signed-

David J. Rogers
National Bank Examiner