



**Conditional Approval #1154
June 2016**

April 25, 2016

Papa-Wassa Chiefy Nduom, Esq.
2200 Pennsylvania Avenue NW
Washington D.C., 20037

Re: Change in Bank Control Notice by Nduom Investor Group regarding
Illinois-Service Federal Savings & Loan Association, Chicago, Illinois
Charter No. 703395; OCC Control No.: 2015-HQ-CBCA-145777

Dear Mr. Nduom:

The Office of the Comptroller of the Currency (OCC) has reviewed and evaluated the Notice of Change in Bank Control (Notice) for six members of the Nduom family¹ (the Investor Group) to acquire control of Illinois-Service Federal Savings & Loan Association, Chicago, Illinois (Association). Based upon a thorough review of all information available, including representations and commitments made by the Investor Group and by the Association's representatives made in connection with this Notice, and in consideration of the relevant regulatory factors, the OCC hereby determines that the Notice is technically complete and does not disapprove the change in control.

Background and Transaction Steps

On November 12, 2015, the Investor Group filed the Notice, which seeks approval for the Investor Group to acquire control of the Association through the purchase of 100 percent of the common stock of the Association in a voluntary supervisory conversion.² Through this purchase, the Investor Group plans to contribute \$9 million in capital to the Association.

¹ The Investor Group members are: Dr. Papa Kwesi Nduom, Mrs. Yvonne Nduom, Mr. Nana Kweku Nduom, Dr. Edjah Kweku-Ebura Nduom, Dr. Nana Aba Nduom, and Mr. Papa-Wassa Chiefy Nduom.

² The Investor Group has proposed several individuals to serve in management positions and as directors of the Association after the acquisition, including Robert Klamp, proposed Chief Executive Officer; Jeremy Miller, proposed Chief Lending Officer; Dr. Papa Kwesi Nduom, proposed director, and Yvonne Nduom, proposed director. The Association filed Notices in Change of Directors or Senior Executive Officers pursuant to Section 914 of the Financial Institutions Reform, Recovery and Enforcement Act of 1989 and 12 CFR 5.51 for the individuals above, and the OCC separately communicated its intent not to disapprove the service of the individuals in the proposed positions.

Processing of the Change in Bank Control Notice

The OCC processes change in control notices in accordance with the requirements set forth in 12 USC 1817(j)(7) and 12 CFR 5.50(f). The OCC may disapprove a notice if the OCC finds that: (1) the proposed acquisition of control would result in a monopoly or would further any monopoly or conspiracy to monopolize the business of banking anywhere in the United States; (2) the effect of the proposed acquisition may substantially lessen competition or tend to create a monopoly or in any other manner restrain trade and the anticompetitive effects are not clearly outweighed by benefits to the convenience and needs of the community to be served; (3) either the financial condition of any acquiring party or the future prospects of the bank is such as might jeopardize the stability of the bank or prejudice the interests of its depositors; (4) the competence, experience, or integrity of the acquiring party or of any of the proposed management indicate that it would not be in the interests of the depositors and the public for such persons to control the bank; (5) the acquiring party does not provide the OCC with all required information; or (6) the proposal would result in an adverse effect on the Deposit Insurance Fund. After carefully considering the facts presented in the Notice and the representations made in connection with the Notice, the OCC does not find a basis to disapprove the Notice.

Non-disapproval is granted with the following conditions, requiring the Investor Group to take certain actions and make certain commitments related to their ownership interest in parallel-owned banking organizations and other foreign affiliates.³ The conditions are intended to address regulatory concerns raised by parallel banking organizations.⁴

1. The Investor Group shall provide all information, without regard to whether such information is located within or without the United States, when requested, relating to:
 - (a) Enforcement or possible enforcement of, or any proceeding under, any United States Law;
 - (b) The direct or indirect ownership or control of the Association; and
 - (c) The operations or activities of the Association, any affiliates, or any institution-affiliated parties (IAP) regarding each thereof under the United States Law, including any unsafe or unsound practice or breach of fiduciary duty by the Association, or by any IAP with respect to each thereof.⁵
2. The Investor Group shall take any and all steps necessary to provide the OCC and its staff access, permit the OCC and its staff to examine, and provide the OCC and its staff with copies of, all books and records; access to electronic records that accurately reflect the

³ The documents referenced in these conditions shall be provided to the OCC by the Investor Group, translated into English and U.S. dollars by a certified translator, and with a certification that such translation is fair and accurate.

⁴ See OCC Bulletin 2002-14, Joint Agency Statement on Parallel-Owned Banking Organizations.

⁵ For purposes of this letter, the term "affiliates" shall be as defined in 12 USC 371c(b)(1); the term "institution affiliated parties" or "IAP" shall be as defined in 12 USC 1813(u); and the terms "related interests" and "insider" shall be as defined in 12 CFR 215.2.

information in the books and records; and any other information, of or concerning any affiliates of the Association, as requested by the OCC or its staff, without regard to whether such books and records or other information are located within or without the United States, to the extent permissible under local law.

To the extent that the provision of such information to the OCC may be prohibited by local law, Investor Group shall as necessary advise any regulator they have no objection to such regulator or authority communicating with the OCC or sharing information with the OCC and shall otherwise cooperate with the OCC to obtain any necessary consents or waivers that might be required for disclosure of such information. To the extent that the provision of such information to the OCC may be prohibited by local law, Investor Group shall also make their best efforts to cause any affiliate of the Association to advise any regulator it has no objection to such regulator or authority communicating with the OCC or sharing information with the OCC and otherwise cooperate with the OCC to obtain any necessary consents or waivers that might be required for disclosure of such information.

3. Based on the opinions of counsel(s) in any foreign jurisdiction where the Investor Group and any affiliates of the Association maintain books and records, the Investor Group shall represent that there are no statutory or regulatory requirements of, or judicial interpretations in, these jurisdictions that would preclude or limit examination in such jurisdictions, or use in the United States, of the books and records of any affiliates of the Association by the OCC and its staff. In addition, based on these opinions of counsel(s), the Investor Group shall represent that there are no statutory or regulatory requirements of, or judicial interpretations in, these jurisdictions that otherwise would limit the ability of the Investor Group to comply fully with conditions 1 and 2 above, except to the extent that waivers of confidentiality by the Investor Group would be necessary to permit such examination or use of the Investor Group's or affiliates' books and records, which waivers the Investor Group shall grant and agree to grant on a continuing basis. The Investor Group understand and represent that there are no statutory or regulatory requirements of any jurisdiction that preclude, limit, or make ineffective in whole or in part any waiver of confidentiality. If the Investor Group cannot make the representations above in whole or in part, the Investor Group shall fully explain any limitations under local law and regulation and shall submit a request in writing for the OCC's non-objection.
4. The Investor Group consents and submits to the personal jurisdiction of any United States federal court of competent jurisdiction and of any Federal Banking Authority for purposes of any investigation or possible investigation, action, subpoena, examination, or proceeding by any Federal Banking Authority, the United States Department of Justice, or the United States Department of the Treasury, relating to the administration or enforcement of any United States Law or pursuant to any United States Law, including, in particular, section 8 of the Federal Deposit Insurance Act. For purposes of this condition, the Investor Group shall at all times maintain in the United States a designated agent, acceptable to the OCC, to accept service on the acquiring party's behalf, including

service of any process, notice, order, or subpoena. The Investor Group, as of this date, designate Papa-Wassa Chiefy Nduom, Esq., located at International Business Solutions, 2200 Pennsylvania Avenue, Suite 4001, Washington DC, 20037, as agent to accept such service. Investor Group will not change this designation without notice to, and consent of, the OCC or its staff.

5. No later than the time of consummation of the transaction, the Investor Group will provide to the Association a list of their "related interests" (as defined in section 215.2 of Regulation O, 12 CFR 215.2) and a list of the Association's affiliates (as defined in 12 USC 371c(b)(1)) to be maintained by the Association. The Investor Group will update these lists annually or more frequently as changes occur in "related interests" or affiliates. The Investor Group and each company that is controlled directly or indirectly by the Investor Group, acting alone or in concert with one or more other persons, will be deemed to be "insiders" of the Association in all dealings with the Association for purposes of Regulation O (12 CFR 215).
6. The Investor Group shall make their best efforts to ensure that the Association does not engage, directly or indirectly, in any business transaction with any foreign affiliate.
7. The Investor Group shall notify and shall make their best efforts to cause the Association to notify the OCC if the Association engages in the following types of affiliate transactions with any United States affiliates: (1) a transaction or series of transactions that will materially affect the Association's capital, or (2) a transaction or series of transactions that will materially affect the affiliate's financial position.
8. The Investor Group shall notify and shall make their best efforts to cause the Association to notify the OCC of any increase in permanent capital when the capital funds invested were received from any person who has obtained a loan or a deposit from the Association or any affiliate, provided the funds for the increase in capital are directly or indirectly linked to the funds from the loan or deposit from the Association.
9. The Investor Group shall and shall make their best efforts to cause the Association to ensure that the Association will not engage in the international transfer, remittance, or payment of customer or bank funds except in compliance with safe and sound formally adopted internal control procedures and operational safeguards, which shall include in all cases written documentation of all relevant information concerning each such transfer, remittance and payment, as adopted as a policy of the Association and in compliance with all laws, regulations, orders, and directives applicable to the Association and its officers, directors, and affiliates.
10. None of the capital stock of debt of the Association shall be transferred or pledged to any third party without the prior approval of the OCC.
11. The Investor Group shall acknowledge the existence of the Association's Consent Order dated April 16, 2015, which requires the Association, among other things, to submit a

Strategic and Capital Plan to the OCC for a prior no supervisory objection. Accordingly, the Investor Group shall take the necessary steps to ensure the Association complies with this provision.

The conditions of this non-disapproval are conditions "imposed in writing by a Federal banking agency in connection with any action on any application, notice, or other request" within the meaning of 12 USC 1818. As such, the conditions are enforceable under 12 USC 1818.

Consummation Requirements

Certain background checks by third parties requested by the OCC have not yet been received. Although the OCC has decided not to delay action pending receipt of those responses, the OCC may consider remedies available under the Change in Bank Control Act or other statutes, if adverse or previously withheld information is received.

The Investor Group shall submit the following documents to the OCC prior to consummation of the transaction:

- (a) A notarized and authenticated or certified document, designating the agent(s) specified in condition 4 to accept service on behalf of the Investor Group;
- (b) An opinion of independent counsel in any foreign jurisdiction where the Investor Group and any affiliates of the Association maintain books and records (i) that each of the conditions is enforceable under the laws of the relevant jurisdiction, and (ii) that there are no statutory or regulatory requirements of, or judicial interpretations in, the relevant jurisdiction that would limit the ability of the Investor Group to comply fully with conditions 1 and 2, subject to the need for a waiver of confidentiality as provided in condition 3, or that would preclude, limit, or make ineffective in whole or in part any such waiver of confidentiality that is granted; and
- (c) Properly executed written documentation to affect a full waiver of confidentiality under the law of the relevant jurisdiction(s), as provided in condition 3.

The transaction must be consummated within 90 calendar days of the date of this letter. Failure to consummate the transaction within 90 calendar days, or an approved extended time period granted by the OCC, will cause our non-disapproval to lapse and you will be required to file a new notice if you wish to proceed with the change in bank control.

The date of consummation of this change in control must be provided to the Licensing Division within 10 days after consummation. The transaction must be consummated as proposed in the Notice. If any of the terms, conditions, representations, commitments, or parties to the transaction described in the Notice change, the OCC must be informed in writing of the change prior to consummation to determine if any additional action or reconsideration is required. In

such situations, the OCC reserves the right to require submission of an amended or new Notice of Change in Bank Control.

This decision and the activities and communications by OCC employees in connection with the filing do not constitute a contract, express or implied, or any other obligation binding upon the OCC, the United States, any agency or entity of the United States, or any officer or employee the United States, and do not affect the ability of the OCC to exercise its supervisory, regulatory and examination authorities under applicable law and regulations. Our decision is based on your and your representatives' representations, submissions, and information available to the OCC as of this date. The OCC may modify, suspend or rescind this decision if a material change in the information on which the OCC relied occurs prior to the date of the transaction to which this decision pertains. The foregoing may not be waived or modified by any employee or agent of the OCC or the United States.

If you have any questions, please contact Senior Licensing Analyst Mark Ro at 202-649-6341 or Mark.Ro@occ.treas.gov.

Sincerely,

signed

Stephen A. Lybarger
Deputy Comptroller for Licensing