



Comptroller of the Currency
Administrator of National Banks

Northeastern District
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Licensing Unit
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September 8, 2004

**Conditional Approval #649
October 2004**

Mr. Lawrence R. Wiseman
Partner/Blank Rome LLP
One Logan Square
18th & Cherry Streets
Philadelphia, Pennsylvania 19103-6998

Re: Application to merge SunBank, Lewisburg, (“Sun”) Pennsylvania with and into Omega Bank, National Association (“Omega” or “Bank”), Huntingdon, Pennsylvania, under the title and charter of the latter, following the merger of Sun Bancorp, Inc., (“SunHC”) Lewisburg, Pennsylvania into Omega Financial Corporation, (“OmegaHC”) State College, Pennsylvania
Control Number: 2004 NE 02 0036, 2004 NB 05 122-123
Charter No.: 31

Dear Mr. Wiseman:

This is to inform you that today, the Office of the Comptroller of the Currency (OCC) conditionally approved the proposal to merge Sun with and into Omega under the charter and title of the latter. In addition, in response to the operating subsidiary application, filed in conjunction with the merger application, the OCC approves the Bank’s plan to acquire Sentry Trust Company, a state chartered uninsured trust company located in Chambersburg, Pennsylvania and hold the entity as a subsidiary of the Bank.

This approval is subject to the following condition:

The Bank shall, at all times, maintain a minimum \$2.3 million in Tier 1 capital at Sentry Trust Company. If the Bank fails to maintain Tier 1 capital in the amount of \$2.3 million, the Bank shall be deemed “undercapitalized,” for purposes of 12 USC 1831o and 12 CFR 6, and the OCC shall have the authority to take any action authorized under all provisions of 12 USC 1831o and 12 CFR 6 applicable to an undercapitalized national bank. For purposes of 12 USC 1831o(e)(5), an action “necessary to carry out the purpose of this section” shall include restoration of the Bank’s capital so that it is not “undercapitalized,” and any other action deemed advisable by the OCC to address the Bank’s capital deficiency or the safety and soundness of its operations.

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The condition of this approval is a condition imposed in writing by the agency in connection with the granting of any application or other request within the meaning of 12 USC 1818. As such, the condition is enforceable under 12 USC 1818.

This conditional approval is granted based on a thorough review of all information available, including commitments and representations made in the application and the merger agreement and those of your representatives.

The OCC reviewed the proposed transaction under the criteria of the Bank Merger Act (12 U.S.C. § 1828(c)), the Community Reinvestment Act (12 U.S.C. § 2901, et. sec.), and applicable OCC regulations and policies. Among other matters, we found that the proposed transaction would not have any anticompetitive effects. The OCC considered the financial and managerial resources of the banks, their future prospects, and the convenience and needs of the communities to be served. In addition, the Bank Merger Act requires the OCC to consider, "...the effectiveness of any insured depository institution involved in the proposed merger transaction in combating money laundering activities, including in overseas branches." (12 U.S.C. § 1828(c)(11)) We considered these factors and found them to be consistent with approval.

You are reminded to submit definitive copies of the proxy materials or information statement sent to the appropriate district office at the same time they are distributed to the shareholders, if not previously.

As a reminder, the district office must be advised in writing in advance of the desired effective date for the merger so that the OCC may issue the necessary certification letter. The effective date must follow the applicable Department of Justice injunction period and any other required regulatory approval.

The OCC will issue a letter certifying consummation of the transaction when we receive:

- 1) A Secretary's Certificate for each institution, certifying that a majority of the board of directors approved.
- 2) An executed merger agreement, with Articles of Association, for the resulting bank attached.
- 3) A Secretary's Certificate from each institution, certifying that the shareholder approvals have been obtained, if required.

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This approval and the activities and communications by OCC employees in connection with the filing, does 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.

If the merger is not consummated within one year from the approval date, the approval shall automatically terminate, unless the OCC grants an extension of the time period.

If you have questions, contact Linda Leickel, Licensing Analyst at (212) 790-4055.

Sincerely,

/s/ Anthony P. DosSantos

Anthony P. DosSantos
Licensing Manager