



**Comptroller of the Currency
Administrator of National Banks**

Southern District Licensing
500 North Akard, Suite 1600
Dallas, Texas 75201-3323

**Conditional Approval #815
September 2007**

August 7, 2007

Tom A. Bryan
President and Chief Executive Officer
The Bankers Bank
2410 Paces Ferry Road, 600 Paces Summit
Atlanta, Georgia 30339-4098

Re: Application of The Bankers Bank to convert to a national banking association
Control Number: 2007-SO-01-0007

Dear Mr. Bryan:

The Comptroller of the Currency (OCC) has reviewed your request, dated March 30, 2007, to convert The Bankers Bank, Atlanta, Georgia (TBB) to a national bank. After a thorough review of all information available, including the representations and commitments made in the application and by the Bank's representatives, we find that your request meets the requirements for approval to convert to a national banking association pursuant to 12 CFR 5.24 as follows:

Title: The Bankers Bank, National Association
Location: 2410 Paces Ferry Road, 600 Paces Summit, Atlanta, Georgia 30339

This conversion approval is subject to the following special conditions:

- 1.) The Bankers Bank, N.A.'s total risk-based capital ratio shall be maintained at not less than eleven percent (11%). After you have strengthened the areas of our concern, we may revisit this capital condition at a future date.
- 2.) The Bankers Bank, N.A. shall take the steps necessary to ensure that the commitments set forth in the July 26, 2007, letter from Tom A. Bryan, President and Chief Executive Officer to the OCC, are fully adopted, timely implemented and adhered to thereafter.

All 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 USC 1818 and, as such, are enforceable under 12 USC 1818.

The OCC approves TBB's plans to continue to operate Specialty Finance Group, LLC (SFG) as an operating subsidiary. SFG specializes in direct commercial lending to the hospitality industry. The OCC also approves TBB's plans to continue the activities in Salem Capital Partners, L.P. (SCP) and The Medici, LLC, the bank's statutory subsidiaries. SCP is a partnership organized for the purpose of operating as a small business investment company under the SBIC Act. TBB owns approximately 15% of SCP. The Medici, LLC is a Georgia limited liability company, organized for the purpose of acquiring, owning, developing, operating, leasing, and holding for investment an office building. TBB plans to lease approximately 85% of the rentable space in the building upon completion. TBB has a 25% interest in The Medici.

You are reminded that the following items must be satisfactorily addressed on or before the effective date of the conversion:

1. The Bank must purchase adequate fidelity bond coverage in accordance with 12 CFR 7.2013, which lists four factors the directors should consider to determine adequacy.
2. If a director, officer, employee, or principal shareholder of the bank (including an entity in which such person owns an interest of 10 percent or more) is involved in the sale of credit life insurance to loan customers, the bank should ensure compliance with 12 C.F.R. § 2, which among other things, prohibits a covered person from retaining commissions or other income from the sale of credit life insurance connected with any loan the bank makes.
3. The board of directors must adopt and have in place policies, practices, and procedures to ensure the safe and sound operation of the bank. The board also must review those policies, practices, and procedures continually and ensure the bank's compliance with them. We are enclosing the Minimum Policies and Procedures for national banks.
4. The Bank has represented that it intends to maintain its membership in the Federal Home Loan Bank (FHLB) system. If, at any time, the Bank ceases to be a member of the FHLB system, it must use its best efforts, including contacting the appropriate FHLB or the Federal Housing Finance Board, to dispose of any stock in the FHLB. The OCC will consider this stock a nonconforming asset for any period that the Bank is not a member of the FHLB system.
5. The directors must own qualifying shares in conformance with 12 USC 72 and 12 CFR 7.2005.
6. If the Bank is subject to the Home Mortgage Disclosure Act (HMDA), the Bank must ensure that its reporter identification number included on its HMDA transmittal sheet is changed to reflect its new OCC charter number.
7. The Bank must notify the OCC if the facts described in the filing materially change at any time prior to consummation of the conversion. Any changes to the executive officers or directors must receive a "no objection" from the OCC.

Upon completion of all steps required to convert to a national banking association, submit the "Conversion Completion Certification" (enclosed) certifying that you have done so.

When the institution has satisfactorily completed all of the above steps, the OCC will issue a Conversion Completion Acknowledgment officially authorizing the institution to commence business as a national banking association. At that time you will receive the charter certificate. If the conversion is not consummated within six months from the date of the decision, the approval will automatically terminate unless the OCC grants an extension of the time period. The OCC is opposed to granting extensions, except under the most extenuating circumstances and expects the conversion to occur as soon as possible.

You are reminded that the bank needs to publish for public comment its final CRA Strategic Plan and then submit the final Plan to Washington Compliance Policy for approval.

The OCC will send to you under separate cover an appropriate set of OCC handbooks, manuals, issuances, and selected other publications. This information does not include the *Comptroller's Licensing Manual*, which is available in electronic form on our Web site <http://www.occ.treas.gov/corpapps/corpapplic.htm>.

A separate letter is enclosed requesting your feedback on how we handled the referenced application. We would appreciate your response so that we may improve our service. All correspondence regarding this application should reference the CAIS control number.

All correspondence regarding this application should reference the application control number. If you have any questions, contact Senior Licensing Analyst Brenda E. McNeese at (214) 720-7052.

Yours truly,

signed

Karen H. Bryant
Director for District Licensing

Enclosures: Conversion Completion Certification
Minimum Policies and Procedures
Survey Letter