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Comptroller of the Currency  
Administrator of National Banks

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

**Conditional Approval #238**  
**May 1997**

April 15, 1997

Mr. Thomas F. Karaba  
Crowley Barrett & Karaba, Ltd.  
20 South Clark, Suite 2310  
Chicago, Illinois 60603-1895

Re: Application by Grand National Bank, Wauconda, Illinois to convert an Illinois chartered trust bank subsidiary to be acquired by merger and establish it as a national trust bank operating subsidiary with the title of "Grand Premier Trust and Investment, Inc., National Association," Freeport, Illinois. (97-CE-01-015)

Dear Mr. Karaba:

The Comptroller of the Currency ("OCC") has reviewed the request of Grand National Bank, dated March 10, 1997, to convert an Illinois chartered trust bank subsidiary soon to be acquired by merger and establish it as a national trust bank operating subsidiary with full fiduciary powers. After a thorough review of all information provided in the application and other information available to the OCC, we find that your request meets the requirements for preliminary conditional approval of the national trust bank operating subsidiary as follows:

Title: **Grand Premier Trust and Investment, Inc., National Association**

Location: 110 West Main Street  
Freeport, Illinois 61032

We have made our decision to grant preliminary conditional approval with the understanding that the proposed national trust bank operating subsidiary will not be FDIC insured and the expectation that it will become a member of the Federal Reserve System.

Prior to, or as of the date of the conversion:

1. Directors must purchase qualifying shares in conformance with 12 U.S.C. 72 and 12 C.F.R. 7.2005.

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2. The institution must purchase the required amount of stock in the Federal Reserve Bank in accordance with 12 C.F.R. 209, if applicable.
3. The bank must hire or appoint a cashier (see 12 CFR 7.2015).
4. The institution must purchase adequate fidelity bond coverage in accordance with 12 C.F.R. 7.2013, which lists four factors the directors should consider to determine adequacy.
5. The converting institution must obtain any other required regulatory approvals, if applicable.

This approval also is subject to the following special conditions which shall be deemed to be “conditions imposed in writing by the agency in connection with the granting of any application or other request” within the meaning of 12 U.S.C. 1818(b)(1):

1. Grand Premier Trust and Investment, Inc., National Association, shall assure that the operations of the bank are limited to that of a trust bank and that deposits other than trust funds are not accepted.
2. The limitations of Grand Premier Trust and Investment, Inc., National Association’s activities must be fully enumerated in the bank’s articles of association. Specifically, the articles must clearly state:
  - The business of the association will be limited to that of a national trust bank; and
  - The bank must obtain the prior written approval of the OCC before amending its articles of association to expand the scope of its activities and services.

The OCC has no objection to the individuals noted in the application as current directors and officers of Grand Premier Trust and Investment, Inc. continuing in the same capacity following the conversion to a national trust bank. Any additions or changes in the directors or officers made by Grand Premier Trust and Investment, Inc. prior to its conversion must be reviewed and approved by the OCC.

Enclosed is a copy of a letter certifying completion of the conversion steps which should be prepared by you when appropriate. The various forms to be executed in conjunction with this proposal and the enclosed certification letter, along with instructions for their completion, can be found in the Comptroller's Manual for Corporate Activities, Volume 2, dated January, 1992.

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When the institution has satisfactorily completed all of the required items, the OCC will issue a letter officially authorizing the institution to commence business as a national trust bank. At that time, you will receive the charter certificate and trust permit. The OCC will send you under separate cover a set of OCC handbooks, manuals, issuances, and selected other publications.

If the conversion of the operating subsidiary is not consummated within six months from the date of the decision, preliminary conditional approval will be withdrawn. The OCC is opposed to granting extensions, except under the most extenuating circumstances and expects the conversion to occur as soon as possible.

All correspondence and documents concerning this transaction should be directed to National Bank Examiner Travis W. Wilbert at the district office. In addition, he may be contacted at (312) 360-8866.

Sincerely,

/s/

Thomas M. Fitzgerald  
District Administrator

Enclosures