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Comptroller of the Currency  
Administrator of National Banks

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250 E Street, SW  
Washington, DC 20219

May 9, 2003

**Conditional Approval #592  
June 2003**

Michael Basile, Esquire  
Strook & Strook & Lavan LLP  
33<sup>rd</sup> Floor  
200 South Biscayne Blvd.  
Miami, FL 33131-2385

Re: Application filed by Desjardins, FSB, Hallandale, FL to convert from a federal savings bank to a national association, waive the U. S. citizenship requirement, and certify one branch office.  
CAIS Control Number: 1998-SE-01-0046

Dear Mr. Basile:

The Office of the Comptroller of the Currency (OCC) has reviewed your request to convert Desjardins, Federal Savings Bank to a national bank with the title of Desjardins Bank, N. A. (Desjardins), to be located at 1001 East Hallandale Beach Blvd., Hallandale, FL 33009. Please be advised that, after a thorough review of all information available, including the representations and commitments made in the application and by Desjardins' representatives, the OCC found that your request to convert to a national banking association met the requirements for approval, subject to the following conditions:

1. In addition to compliance with other applicable requirements under U.S. law, Desjardins will make available to the OCC such information on the operations and activities of Desjardins and any of its affiliates that the OCC deems necessary to determine and enforce compliance by Desjardins with applicable Federal laws. If the disclosure of any required information is prohibited by law or otherwise, Desjardins will cooperate with the OCC including seeking timely waivers of or exemptions from any applicable confidentiality or secrecy restrictions or requirements in order to enable Desjardins to make such information available to the OCC.
2. Desjardins consents to the jurisdiction of the Federal courts of the United States and of all United States government agencies, departments and divisions for purposes of any and all claims made by, proceedings initiated by, or obligations to, the United States, the Office of the Comptroller and any other United States government agency, department or

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division, in any matter arising under the National Bank Act, the International Banking Act, and other applicable Federal banking laws.

Please be advised that all conditions of this approval 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 USC 1818(b)(1). We also made our decision to grant conditional approval with the understanding that the proposed national bank will apply for membership in the Federal Reserve System.

This conditional approval is also based in part upon the institution’s representation that, as of the date of the conversion, the capital structure will be realigned to comply with the minimum capital requirements of 12 USC 35, 36, 51, 52, and 371d to the extent applicable.

This letter also constitutes official OCC authorization to operate the following branch:

OCC Branch Number: 124770A  
Pompano Beach Branch  
2745 East Atlantic Boulevard  
Pompano Beach, FL 33062

Please retain this letter as the official branch authorization. If, at some time in the future, the Bank intends to close the branch, a 90-day advance notice of the proposed branch closing must be submitted to the OCC pursuant to 12 USC 1831r-1. Also, if this branch is sold, the branch authorization should be surrendered to the OCC.

The OCC also granted your request to waive the citizenship requirements of 12 USC 72 for Jean-Guy Langelier to serve as a member of the board of directors of Desjardins. This waiver is based upon a review of all available information, including the filing, subsequent correspondence and telephone conversations, and Desjardins’ representation that this waiver will not affect the board’s responsibility to direct Desjardins’ operations in a safe and sound manner. The OCC reserves the right to withdraw or modify this waiver and, at its discretion, to request additional information at any time in the future.

You are reminded that the following are required before the effective date of the conversion:

1. The institution 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 Desjardins (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, Desjardins should ensure compliance with 12 CFR 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 Desjardins makes.

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3. The board of directors must adopt and have in place policies, practices, and procedures to ensure the safe and sound operation of Desjardins. The board also must review those policies, practices, and procedures continually and ensure Desjardins' compliance with them. We are enclosing the minimum policies and procedures applicable to national banks.
4. Desjardins must obtain any other regulatory approvals, including approval from the Federal Reserve Board for Federation des caisses Desjardins du Quebec, Caisse centrale Desjardins du Quebec, and Desjardins FSB Holding, Inc., to become bank holding companies.
5. Desjardins has represented that it intends to maintain its membership in the Federal Home Loan Bank (FHLB) system. If, at any time, Desjardins ceases to be a member of the FHLB system, it must use its best efforts, including contacting the appropriate FHLB and/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 Desjardins is not a member of the FHLB system.

The converting institution must notify the OCC if the facts described in the filing materially change at any time prior to consummation of the conversion.

Additionally, with respect to any dual employees, the Bank's financial records must reflect the personnel costs associated with time devoted by these employees to Bank matters.

This approval, 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 of 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. The foregoing may not be waived or modified by any employee or agent of the OCC or the United States.

The approval of the conversion expires if it has not occurred six months from the date of the decision. The OCC is opposed to granting extensions, except under the most extenuating circumstances, and expects the conversion to occur as soon as possible.

The "Conversions" booklet in the *Comptroller's Licensing Manual* provides guidance for converting to a national association. The booklet is located at the OCC's web site: [www.occ.treas.gov/corpbook/group1](http://www.occ.treas.gov/corpbook/group1).

Upon conversion, please submit a letter certifying that you have completed all steps required to convert to a national banking association (sample enclosed). If you have any questions, please contact Louis Gittleman, Senior Licensing Analyst at our Atlanta District Office at 404-588-4525.

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Sincerely,

*/s/ Beverly L. Evans*

Beverly L. Evans  
Licensing Operations

Enclosures: Minimum Policies and Procedure ([www.occ.treas.gov/corpapps/corpapplic.htm](http://www.occ.treas.gov/corpapps/corpapplic.htm))  
Conversion Completed Certification Sample Letter

cc: Gilles Lapierre, Vice President, Caisse centrale Desjardins