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Comptroller of the Currency  
Administrator of National Banks

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250 E. Street, S.W.  
Washington, D.C. 20219-0001

**Conditional Approval #1041**  
**August 2012**

July 18, 2012

C. Andrew Gerlach, Esq.  
Sullivan & Cromwell LLP  
125 Broad Street  
New York, New York 10004-2498

Re: Bulk Transfer Application filed on behalf of Saddle River Valley Bank, Saddle River, New Jersey, to transfer substantially all of its assets and liabilities  
Charter No. 717988 OCC Control No. R1-2012-0029

Dear Mr. Gerlach:

The Office of the Comptroller of the Currency (“OCC”) hereby conditionally approves the bulk transfer application filed on behalf of Saddle River Valley, Saddle River, New Jersey (“Bank”) to sell deposits and certain assets described below (the “Application”). The Bank submitted the Application to the OCC on March 13, 2012.

The Bank filed the Application pursuant to 12 C.F.R. § 163.22(c), requesting OCC approval to transfer substantially all of its assets, as well as substantially all of its deposit liabilities, to Union Center National Bank, Union, New Jersey. The OCC has reviewed the Application under 12 C.F.R. § 163.22(d), which requires the OCC to consider: (i) the impact of the transaction on a federal savings association’s capital level; (ii) the federal savings association’s financial and managerial resources; (iii) the future prospects of the federal savings association; (iv) the convenience and needs of the communities to be served; (v) the conformity of the transaction to applicable law, regulation, and supervisory policies; and (vi) the fairness of and disclosure concerning the transaction. The OCC has reviewed the Application in accordance with applicable laws, regulations, and OCC policy, and concluded that it satisfies the applicable approval standards.

The approval of the Application is subject to the following condition:

The Bank shall enter into an Operating Agreement, and an Escrow Agreement (collectively, the “Agreements”) regarding the conduct of the Bank’s operations, the maintenance of a minimum stated amount of insured deposits, and the placement of certain funds into an escrow account, respectively. The Agreements must be approved by

the Bank's board of directors. Each Agreement must include such terms and provisions as are acceptable to the OCC, in its sole discretion. The Agreements must be executed prior to consummation of the proposed transaction.

This condition of approval is "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 U.S.C. § 1818. As such, the condition is enforceable under 12 U.S.C. § 1818.

The approval set forth herein is granted based on our understanding that other regulatory approvals, non-objections or waivers with respect to the proposed transaction will have been received prior to the transaction. Unless a timeframe is otherwise stated below, please ensure that you submit the following information to the OCC Northeastern District Licensing Office (NEDO) prior to consummation of the transaction:

- Copies of all related regulatory approvals not previously submitted;
- Copies of executed Agreements and a Secretary's Certificate certifying that a majority of the Bank's board of directors approved the Agreements;
- On the business day prior to the date of consummation of the proposed transaction, the chief financial officer of the Bank must certify in writing to the NEDO that no material adverse changes have occurred with respect to the financial condition or operation of the Bank as disclosed in the Application; and
- The Bank must advise the NEDO in writing of the effective date of the transaction within five calendar days after the consummation of the transaction, and that the transaction has been consummated in accordance with all applicable laws and regulations, the Application, and this letter.

If the transaction is not consummated within 120 calendar days of the approval date, the approval shall automatically terminate, unless the OCC grants an extension of the time period.

This conditional approval and the activities and communications by OCC employees in connection with the Application 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. Our conditional approval is based on the Bank's 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 information on which the OCC relied occurs prior to the date of the transaction to which this decision

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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 regarding the OCC's approval of the Application, you may contact Thomas Smith, Senior Licensing Analyst, at (212) 790-4063, or at [thomas.smith@occ.treas.gov](mailto:thomas.smith@occ.treas.gov).

Sincerely,

*Stephen A. Lybarger*

Stephen A. Lybarger  
Deputy Comptroller for Licensing