



**Conditional Approval 1075  
August 2013**

June 13, 2013

Mr. Daniel Cardone  
Executive Vice President  
BNB Bank, N.A.  
2024 Center Avenue  
Fort Lee, N.J. 07024

Re: Increase in Capital  
BNB Bank, N.A., Fort Lee, N.J.  
OCC Control No. 2013-NE-Capital&Div-133843

Dear Mr. Cardone:

The Office of the Comptroller of the Currency (OCC) hereby conditionally approves BNB Bank, National Association's capital increase proposal as outlined in your letter of May 22, 2013.

This approval is subject to the following conditions:

1. Until the Comprehensive Business Plan, required under paragraph (2) below, has been submitted by the Bank for OCC review, has received a written determination of no supervisory objection from the OCC, and is being implemented by the Bank, the Bank shall not make a material change to or significantly deviate from the products, services, asset composition and size, funding sources, structure, operations, policies, procedures, and markets of the Bank that existed immediately after consummation of the Increase in Permanent Capital (the Bank's "Existing Business") without first obtaining the OCC's prior written determination of no supervisory objection to such significant deviation.<sup>1</sup>
2. Within seventy-five (75) days after the Increase in Permanent Capital, the Bank shall submit a written Comprehensive Business Plan to the OCC for a prior written determination of no supervisory objection. The Comprehensive Business Plan shall cover at least a three (3) year period, and shall establish objectives for the Bank's overall risk profile, earnings performance, growth, balance sheet mix, off-balance sheet activities, liability structure, capital adequacy, product line development, outsourcing,

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<sup>1</sup> Significant deviations or changes that may have a material impact on the Comprehensive Business Plan include, but are not limited to, any significant deviations from or material changes consistent with the description provided in Appendix G (Significant Deviations After Opening) of the "Charters" booklet of the *Comptroller's Licensing Manual* (February 2009).

and market segments that the Bank intends to promote or develop, together with strategies to achieve those objectives, including Bank Secrecy Act and compliance programs, and risk management programs. Once the Bank receives the prior written determination of no supervisory objection from the OCC required by this paragraph, the Bank shall adopt, implement, and thereafter adhere to the Comprehensive Business Plan.

3. For three (3) years following adoption of the Comprehensive Business Plan, the Bank shall not make a material change to or significantly deviate from the Comprehensive Business Plan unless the Bank has first given the OCC at least sixty (60) days prior written notice of its intent to do so, and obtained the OCC's prior written determination of no supervisory objection to such action. The Bank's request for prior written determination of no supervisory objection to a material change or significant deviation shall include, at a minimum, (a) an assessment of the adequacy of the Bank's management, staffing levels, organizational structure, financial condition, capital adequacy, funding sources, management information systems, internal controls, and written policies and procedures with respect to the proposed significant deviation and (b) the Bank's evaluation of its capability to identify, measure, monitor, and control the risks associated with the proposed significant deviation.

The conditions of this approval are conditions "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 conditions are enforceable under 12 U.S.C. § 1818.

This conditional approval is granted based on a thorough review of all information available, including the representations and commitments made in the applications and by the bank's representatives.

The change in capital should be completed within one year of the date of this letter.

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. Our 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 approval if a material change in the information on which the OCC relied occurs prior to the date of the transaction to which this decision 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, contact Kerry Rice, Licensing Analyst, at (212) 790-4055.

Sincerely,

*Steven Maggio*

Steven Maggio

Director for District Licensing