



July 24, 2014

**CRA Decision #160  
August 2014**

Jill E. York  
Chief Financial Officer  
MB Financial Bank, National Association  
6111 N. River Road  
Rosemont, Illinois 60018

Subject: Application for the merger of Cole Taylor Bank, Chicago, Illinois with and into MB Financial Bank, National Association, Chicago, Illinois  
OCC Control Number: 2013-CE-Combination-135555

Dear Ms. York:

The Office of the Comptroller of the Currency (OCC) hereby conditionally approves the application to merge Cole Taylor Bank, Chicago, Illinois (Cole Taylor) into MB Financial Bank, National Association, Chicago, Illinois (MB Financial), under the title and charter of the latter.

The OCC also approves the retention of 122 operating subsidiaries of Cole Taylor that engage in bank permissible activities. A list of the proposed subsidiaries and their related activities is attached.

OCC conditionally approves this application after reviewing the application, other materials each of the banks and its representatives supplied, and additional information available to the OCC, including commitments and representations made in the application and by the banks' representatives during the applications process.

This approval is subject to the following conditions:

MB Financial will provide and implement the plan described in the Resolutions of The Board of Directors of MB Financial Bank of July 9, 2014; and,

MB Financial will comply with the restitution obligation outlined in paragraph two (2) of the Federal Reserve's Consent Order with Cole Taylor of June 26, 2014.

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.

## **I. The Transaction**

Cole Taylor is a wholly owned subsidiary of Taylor Capital Group, Inc. (TCGI), a one-bank holding company headquartered in Chicago, Illinois. Cole Taylor is an Illinois state-chartered, Federal Reserve member commercial bank. Cole Taylor has its main office in Chicago, Illinois and operates nine branches in Illinois.

MB Financial is a wholly owned subsidiary of MB Financial, Incorporated (MBFI), a single-bank financial holding company headquartered in Chicago, Illinois. MB Financial is a national bank with its main office in Chicago, Illinois, and 86 branches in Chicago, a branch in Indiana and a branch in Pennsylvania.

MBFI submitted an application to the Federal Reserve Bank of Chicago to acquire TCGI through a merger transaction. Immediately following the consummation of the bank holding company merger, Cole Taylor will merge into MB Financial in an affiliated intrastate merger transaction. The Federal Reserve Board approved the holding company transaction on June 30, 2014.

## **II. Legal Authority for the Transaction**

MB Financial applied to the OCC for approval to merge Cole Taylor with and into MB Financial under 12 U.S.C. §§ 215a and 1828(c) and applied for approval to retain the offices of the merging banks as branches under 12 U.S.C. § 36(b)(2). Section 215a authorizes mergers between national banks “located within the same State.” In prior decisions, the OCC has concluded that a national bank with its main office and branch offices in more than one state is “located” in each such state for purposes of section 215a.<sup>1</sup> Both MB Financial and Cole Taylor have main offices in Illinois. Consequently, both banks are located in Illinois, and the merger is authorized under 12 U.S.C. § 215a.

The resulting bank’s retention of branches in a merger under 12 U.S.C. § 215a is governed by 12 U.S.C. § 36(b)(2). Under 12 U.S.C. § 36(b)(2)(A), a national bank resulting from such a merger may retain and operate as a branch any office which immediately prior to the merger was in operation as a main office or branch office of any target bank if it may be established as a new branch of the resulting bank under 12 U.S.C. § 36(c) and the OCC approves of its continued operation. Twelve U.S.C. § 36(c) authorizes a national bank to establish and operate new branches within the state in which the bank is “situated,” to the extent that state law specifically authorizes such establishment and operation by state-chartered banks at that time and subject to any state law restrictions concerning location imposed on state-chartered banks. For purposes of section 36(c), a national bank is “situated” in any state in which it has a branch or main office.<sup>2</sup> Here, Cole Taylor is situated in Illinois. Illinois does not impose geographic limitations on the

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<sup>1</sup> See, e.g., Decision on the Application to Merge NationsBank of Texas, N.A., Dallas, Texas, into NationsBank, N.A., Charlotte, North Carolina (OCC Corporate Decision No. 98-19, April 2, 1998) (Part II-A-1) (pages 6-8).

<sup>2</sup> See *Seattle Trust & Savings Bank v. Bank of California, N.A.*, 492 F.2d 48, 51 (9th Cir. 1974), cert. denied, 419 U.S. 844 (1974). See also *Ghiglieri v. Sun World, N.A.*, 117 F.3d 309, 315-16 (5th Cir. 1997).

establishment of branch offices by state-chartered banks. Therefore, MB Financial may retain and operate as branches Cole Taylor's main office and branch offices after the bank merger.

Under 12 U.S.C. § 36(b)(2)(C), a national bank resulting from the merger of a state bank into the national bank may retain and operate any branch of the national bank that existed prior to the merger, if the OCC approves its continued operation, unless a state bank resulting from a merger would be prohibited by state law from retaining as a branch an identically situated office of the state bank. MB Financial has branches in Illinois, Indiana, and Pennsylvania. There are no provisions in Illinois, Indiana, or Pennsylvania state law that would prohibit a state-chartered bank, following a merger with another bank, from retaining its own similarly situated branches in that state. Therefore, MB Financial may retain and operate its existing branches after the bank merger.

### **III. Bank Merger Act**

MB Financial's proposed merger with Cole Taylor is also subject to OCC review under the Bank Merger Act. The OCC reviewed the proposed merger under the criteria of the Bank Merger Act, 12 U.S.C. § 1828(c), and applicable OCC regulations and policies. Under the Bank Merger Act, the OCC generally may not approve a merger that would substantially lessen competition. The Bank Merger Act also requires the OCC to take into consideration the financial and managerial resources and future prospects of the existing and proposed institutions, and the convenience and needs of the community to be served. The OCC must also consider the effectiveness of any insured depository institution involved in the proposed merger transaction in combating money laundering activities. Furthermore, the OCC must consider the risk of the transaction to the stability of the United States banking or financial system. The OCC considered these factors and found them consistent with approval of this application.

### **IV. Community Reinvestment Act**

The Community Reinvestment Act (CRA) requires the OCC to take into account the records of the institutions' performance in helping to meet the credit needs of their communities, including low- and moderate-income (LMI) neighborhoods, when evaluating applications under the Bank Merger Act. The OCC considered the CRA performance evaluation (PE) of each bank involved in this transaction. A review of these records, information provided by MB Financial in response to public comments relating to the pending application, information provided by MB Financial in response to the request for additional information by the Board of Governors of the Federal Reserve System (the Board), information included in the Board's June 30, 2014 holding company merger approval order (June 2014 Board Order), and other information available to the OCC as a result of its supervisory responsibilities indicates that the banks' records of helping to meet the credit needs of their communities are consistent with approval of this application.

## **A. MB Financial Bank**

MB Financial's most recent PE, dated August 12, 2013, assigned an overall "Outstanding" rating.<sup>3</sup> According to the PE, the major factors supporting the overall "Outstanding" rating were: (i) a majority of the bank's loans were originated inside its assessment areas; (ii) excellent lending activity in the IL-IN-WI Multistate Metropolitan Statistical Area (MMSA), but poor lending activity in two smaller assessment areas; (iii) good geographic distribution of home mortgage loans and excellent geographic distribution of small loans to businesses; (iv) good distribution of home mortgage loans by income level of the borrower; (v) adequate distribution of loans to businesses with different revenue sizes; (vi) community development lending having a significantly positive impact in the IL-IN-WI MMSA; (vii) excellent level of qualified community development investments; (viii) branches that are reasonably accessible to geographies and individuals of different income levels in the IL-IN-WI MMSA, but limited accessibility in the two smaller assessment areas; and (ix) a relatively high level of community development services that were responsive to community needs.

MB Financial's overall rating considered the IL-IN-WI MMSA and state ratings, with emphasis on performance in the Chicago-Joliet-Naperville, IL Metropolitan Division (Chicago MD), which comprises 98.6 percent of the bank's deposits, 97.8 percent of the branches and 99.6 percent of the reportable loans. Small business loans were weighted more heavily in the Lending Test rating than Home Mortgage Disclosure Act (HMDA)-reportable loans, as they comprised the majority of loans, at 62.8 percent, in the Chicago MD. Refinances of home purchase loans were emphasized in the evaluation of HMDA-reportable loans, as they represented 64.3 percent of HMDA loans in the Chicago MD. Community development lending comprised 32.2 percent of the dollar volume of lending in the Chicago MD and contributed positively to the Lending Test rating.

## **B. Cole Taylor Bank**

Cole Taylor's most recent PE, dated April 9, 2012, was issued by the Federal Reserve Bank of Chicago and assigned an overall "Outstanding" rating.<sup>4</sup> According to the PE, the major factors supporting the overall "Outstanding" rating were: (i) lending levels that reflect good responsiveness to assessment area credit needs; (ii) the geographic distribution of loans that reflected excellent penetration within low- and moderate-income census tracts; (iii) the distribution of loans that reflected adequate penetration among borrowers of different income

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<sup>3</sup> MB Financial Bank was evaluated as a large bank on August 12, 2013 for the period April 28, 2010 through August 12, 2013 and received an "Outstanding" rating for the Lending Test, an "Outstanding" rating for the Investment Test, and a "High Satisfactory" rating for the Service Test. A copy of the PE is available directly from MB Financial Bank, or at the OCC's Web site: <http://www.occ.gov/tools-forms/tools/compliance-bsa/cra-perf-eval-search.html>.

<sup>4</sup> Cole Taylor Bank was evaluated as a large bank on April 9, 2012 for the period January 19, 2010 through April 9, 2012 and received a "High Satisfactory" rating for the Lending Test, an "Outstanding" rating for the Investment Test, and an "Outstanding" rating for the Service Test. A copy of the PE is available directly from Cole Taylor Bank, or at the OCC's Web site: <http://www.federalreserve.gov/apps/crape/BankRating.aspx>.

levels and businesses of different sizes; (iv) leadership in making community development loans; and (v) use of flexible or innovative lending practices to meet assessment area credit needs.

## **V. Public Comments**

The Federal Reserve Bank of Chicago received and forwarded to the OCC a public comment letter expressing concerns regarding Cole Taylor's record of lending to LMI borrowers and borrowers of color, based on 2011 HMDA data. The commenter expressed generally positive views regarding MB Financial Bank's lending record. The commenter, however, questioned "whether the proposed acquisition would create a public benefit"—given Cole Taylor's alleged underperformance in underserved markets.<sup>5</sup>

Citing 2011 HMDA data regarding single family, first-lien home lending to owner occupants for the Chicago area,<sup>6</sup> the commenter asserted that: (i) Cole Taylor made a lower percentage of its loans to African Americans than did its peers, making 1.86 percent of its home loans to African Americans compared to 4.81 percent from all lenders; (ii) Cole Taylor made a lower percentage of its loans to Latinos than did its peers, making 3.45 percent of its home loans to Latinos compared to 7.12 percent of home loans from all lenders; (iii) lending to LMI borrowers made up 14.13 percent of Cole Taylor Bank's loans, which, according to the commenter, is substantially below the 24.61 percent of loans made by all lenders to LMI borrowers; and (iv) both Cole Taylor and all lenders made a lower percentage of their loans to LMI census tracts than the 17.62 percent of owner-occupied housing units in the Chicago MSA that are located in tracts where occupants make less than 80 percent of area median income. Given these assertions, the commenter, while not opposing approval of the proposed merger, requested that the Federal Reserve Bank of Chicago: 1) require that the merged institution create a plan for improving Cole Taylor's home lending performance, including specific targets for the merged institution's portfolio to meet or exceed its peers in mortgage lending to LMI borrowers and borrowers of color as a condition of approval of the acquisition; and 2) require the merged institution to report publicly its progress towards meeting those goals on an annual basis.

The OCC has carefully considered the commenter's concerns as they relate to the statutory and regulatory factors taken into account by the OCC when reviewing an application under the Bank Merger Act. The commenter's concerns are addressed below.

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<sup>5</sup> The Federal Reserve Bank of Chicago received this comment letter because of the Board's review of the application filed by MBFI to acquire TCGI (holding company merger). As noted above, the Board approved this application in a June 30, 2014 order. Cole Taylor and MB Financial, which are subsidiaries of the two holding companies, planned to merge after the proposed holding company merger. The OCC is the primary regulator for MB Financial, while the Board has been the primary regulator for Cole Taylor.

<sup>6</sup> Specifically, the commenter stated that it had conducted an analysis of "2011 data from the Home Mortgage Disclosure Act on single family, first-lien home lending to owner occupants," for "the Chicago MSA."

## A. Convenience and Needs

The commenter expressed concerns regarding the extent to which the institution that would result from the proposed acquisition will benefit the communities it serves. Specifically, the commenter stated that there is reason to be concerned about whether the proposed acquisition would create a public benefit, given the commenter's allegations of Cole Taylor's underperformance in underserved markets. As previously discussed, the Bank Merger Act requires the OCC to take into consideration the convenience and needs of the community to be served when reviewing a proposed merger.<sup>7</sup>

In response to the commenter's concerns, MB Financial represented that, if the merger is approved, the combined institution would continue MB Financial's strong efforts to ensure full compliance with the spirit and intent of the CRA, including investing in its entire community, especially LMI neighborhoods. MB Financial also represented that it currently offers a variety of products and services and will introduce those products and services to Cole Taylor customers to enhance their customer experience.<sup>8</sup> MBFI made similar representations to the Board, stating that the proposed combined institution would offer customers convenience through a broader range of financial products. MBFI represented that customers of TCGI would have access to products including additional savings account products; general-use prepaid cards, gift cards, and secured credit cards; and lower-cost remittances to Mexico; wealth management products; and additional products and services for business customers, such as capital markets services, international banking services, and treasury management products. MB Financial also represents that it and Cole Taylor plan to work closely to communicate clearly with their customers to avoid any potential customer disruption or confusion.

In addition, MBFI, as noted in the June 2014 Board Order, has represented that the combined organization would be able to provide customers with benefits through a more efficient and cost-effective provision of banking services and would be able to dedicate additional resources to meeting the banking needs of its customers. In addition, MBFI represented that the merger would benefit current customers of Cole Taylor through access to larger branch and ATM networks. Specifically, MBFI represented that the branch network available to TCGI customers would increase from nine branches to 94 branches. MBFI also stated to the Board that customers of Cole Taylor would gain access to the MBFI network of 121 bank-owned ATMs.

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<sup>7</sup> As noted, the comment letter references the "public benefit." Under 12 C.F.R § 225.24(a)(iii), which applies to proposals submitted to the Board by bank holding companies seeking to engage in nonbanking activities, the holding company is required to provide a "statement of the public benefits that can reasonably be expected to result from the proposal." In reviewing MB Financial's application to acquire Cole Taylor, the OCC, however, considered the "convenience and needs of the community to be served" as required of the OCC under 12 U.S.C. § 1828(c)(5).

<sup>8</sup> These products and services include, among others: increased banking offices; expanded card products, including credit cards; and international banking services. MB Financial represented that, as the surviving institution, it will continue to offer to the communities it serves the same range of products and services that it now offers.

## **B. Fair Lending**

The commenter also expressed concerns regarding the lower percentage of loans made by Cole Taylor in the Chicago MSA to low- and moderate-income borrowers and borrowers of color relative to peers.

Pursuant to 12 CFR 25.28(c), the results of the OCC's evaluation of a bank's CRA performance may be adversely affected by evidence of discriminatory or other illegal credit practices. The OCC may lower the overall rating of an institution based on findings of discriminatory or other illegal credit practices in any geography by the bank, or in any assessment area (AA) by any affiliate whose loans are considered part of the bank's lending performance. MB Financial's August 2013 PE noted that the OCC had not identified evidence of discriminatory or other illegal credit practices inconsistent with helping meet community credit needs with respect to that institution during that evaluation period. Similarly, Cole Taylor's April 2012 PE noted that the Federal Reserve Bank of Chicago did not identify evidence of discriminatory or other illegal credit practices inconsistent with helping to meet the community credit needs with respect to that institution during that evaluation period.<sup>9</sup>

Regarding the lending concerns raised by the commenter, it should be noted that HMDA data alone are not adequate to provide a basis for concluding that a bank is engaged in lending discrimination or to indicate whether its level of lending is sufficient. Specifically, HMDA data do not take into consideration borrower creditworthiness, housing prices, collateral values, credit scores, and other factors relevant to each credit decision, nor do the data fully reflect the range of a bank's lending activities and efforts.

In considering this application, the OCC conducted a review of 2011 and 2012 HMDA data for MB Financial and Cole Taylor, as well as a review of 2013 HMDA data for MB Financial.<sup>10</sup> The Board also conducted a review of HMDA data for Cole Taylor for the purposes of reviewing the holding company merger application. As stated in the June 2014 Order, the Board reviewed Cole Taylor HMDA data in "the Chicago area" for the period 2010 through 2013, and the Board's analysis confirmed the disparities in 2011 HMDA data noted by the commenter. Both

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<sup>9</sup> On June 26, 2014, the Board issued an order to cease and desist and for a civil money penalty, to which Cole Taylor consented (Consent Order), in order to resolve violations of section 5 of the Federal Trade Commission Act, 15 U.S.C. § 45(a)(1) (FTC Act), related to the disbursement of student loan funds for colleges and universities by an institution-affiliated party. Cole Taylor terminated the student loan disbursement arrangement at issue on August 30, 2013. As part of the Board's Consent Order, Cole Taylor agreed that, in the event it enters into a similar relationship with another third-party student lender, it will develop a plan, acceptable to the Board, to enhance its consumer compliance risk-management program to ensure that the soliciting, marketing, and servicing of the consumer deposit product in connection with such a third party comply with all consumer protection laws and regulations, including section 5 of the FTC Act, which prohibits unfair and deceptive acts and practices. Cole Taylor also agreed to pay a civil monetary penalty of \$3.51 million and to pay required customer restitution of up to \$30 million if the Board finds that the institution affiliated party cannot pay. According to the June 2014 Board Order approving the holding company merger, MBFI has committed that the provisions of the Consent Order between Cole Taylor and the Board that provide for restitution shall be binding upon MBFI as a successor to TCGI.

<sup>10</sup> The 2013 HMDA data currently available to the OCC do not include institutions regulated by the Board.

the Board and the OCC reviews identified increased home mortgage lending by Cole Taylor to Hispanic applicants from 2011 to 2012.<sup>11</sup> A recent OCC review indicated that, for the period 2011 to 2013, MB Financial compared favorably to the rest of the HMDA reporters with respect to the proportion and number of Black, Hispanic, and LMI applicants in the Chicago MSA and Cook County. The OCC reviews did not result in findings of discrimination relating to MB Financial's home mortgage lending.<sup>12</sup> Fair lending reviews will continue to be conducted as part of the OCC supervisory examination process.

In addition, the OCC review of Cole Taylor's HMDA data in the Chicago MSA, as compared to all other HMDA reporters, confirmed that Cole Taylor's percentages of loans approved for Hispanic applicants and African American applicants both improved in 2012 as compared with 2011. Moreover, as stated in the June 2014 Board Order, the holding company MBFI has specifically committed that, following consummation of the merger of MB Financial and Cole Taylor, the combined institution will demonstrate that it engages in levels of qualified lending and investments; home mortgage lending, including lending to LMI communities and minority and LMI borrowers; small business lending; and community development lending and investments in LMI communities in the combined organization's assessment area that are commensurate with or exceed MB Financial's and Cole Taylor's improved performance in 2012.

MB Financial specifically addressed the commenter's concerns based on 2011 HMDA data regarding Cole Taylor by discussing 2012 HMDA data. MB Financial represented that 2012 HMDA data are the first to use the census tract delineations and population and housing characteristic data from the 2010 census, while demographic data for the 2011 HMDA data analysis, which was the basis for the commenter's concerns, were drawn from the 2000 decennial census. MB Financial represented that data show that both Cole Taylor's and MB Financial's performances improved in 2012, reflecting positive trends when compared to all lenders within their respective CRA assessment areas.

MB Financial and its holding company, MBFI, also addressed the commenter's fair lending concerns by discussing the plans for addressing the merged institution's fair lending risk profile. For instance, MB Financial represented that, as part of its due diligence process, MB Financial continues to assess Cole Taylor's overall compliance program and that, once the merged institution has been established, MB Financial will continue its commitment to effectively manage fair lending risk. Furthermore, MB Financial represented that, as part of its integration planning, it continues to review overall fair lending program practices at both institutions for a "best in class approach" and to meet regulatory expectations, while ensuring that the fair lending program is commensurate and appropriately suited to address the merged company's compliance fair lending risk profile. MB Financial also represented that its fair lending program will be enhanced to account for any additional risk Cole Taylor brings to the organization and that

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<sup>11</sup> The OCC's analysis found an increase in the Hispanic loan approval rate at Cole Taylor from 2011 to 2012. Similarly, the June 2014 Board Order noted that, "[f]or Hispanic borrowers, [Cole Taylor] improved the number and percentage of its mortgage loan originations in 2012, exceeding the aggregate."

<sup>12</sup> In December 2013, the OCC completed a fair lending examination of MB Financial. That examination did not result in findings of discrimination relating to MB Financial's home mortgage retail lending.

modifications to MB Financial's fair lending program components are already in process or will be completed as a result of the merger.<sup>13</sup>

Similarly, the June 2014 Board order states that the holding company, MBFI, has committed to maintain or establish internal units or committees relevant to fair lending practices. First, the holding company has committed to maintaining the dedicated mortgage compliance unit and the fair lending program management function at Cole Taylor's mortgage subsidiary, Cole Taylor Mortgage, LLC, and to update MBFI's annual fair lending risk assessment to incorporate the scale and size of Cole Taylor's mortgage business, as well as its loan servicing activities. Second, MBFI plans to establish a Fair Lending Action Committee, currently in use at Cole Taylor, to manage fair lending risk. The committee would report to MBFI's Operational and Compliance Risk Committee, which reports to executive management and MBFI's Enterprise Risk Committee.

Furthermore, MB Financial represents that it has a "long standing commitment to the communities it serves, having served Chicagoland since 1911," promotes the public welfare and revitalization of LMI neighborhoods by making community development loans and equity investments consistent with the goals of the CRA, and has engaged in a variety of activities that benefit the community, including outreach and partnering with organizations that target or support LMI individuals and/or geographies. For instance, MB Financial represents that it maintains a wholly owned subsidiary, MB Financial Community Development Corporation (CDC), which serves as a contact between the bank, neighborhood groups, developers, local government representatives, and other financial institutions through which the bank seeks to advance neighborhood redevelopment with high-quality lending and investing programs. Specifically, MB Financial represents that activities of the CDC include: community development loans<sup>14</sup>; CRA-qualified investments in funds for Community Development Financial Institutions; and employee involvement on boards and volunteer opportunities, including "MB on the Block" employee volunteer day.

MB Financial also represents that it provides endowments to the private MB Financial Charitable Foundation (Foundation). The Foundation makes donations primarily to non-profit organizations serving LMI communities and households throughout the communities served by MB Financial. MB Financial represents that the mission of the Foundation is to strengthen the communities that the bank serves, with a special emphasis on affordable housing and economic development, education, social services, and civic and community development.<sup>15</sup>

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<sup>13</sup> Separately, MBFI has committed to implement, upon consummation of the transaction, a compliance management system that combines the strengths of its and Cole Taylor's fair lending programs and would increase the number of compliance staff.

<sup>14</sup> For example, MB Financial represents that its community development lending includes loans involving Low-Income Housing Tax Credits, Tax Increment Financing, Special Service Areas, New Markets Tax Credits, and other complex structured loans.

<sup>15</sup> Specifically, MB Financial represents that the Foundation provides grant support to the following: projects or organizations that help to rehabilitate or construct affordable housing; community-based efforts to stimulate business

### **C. Summary**

Accordingly, based upon our review of the respective records of the banks involved in the proposed merger, the application, the public comments and MB Financial's response to those comments, information contained in the June 2014 Board Order, supervisory materials, and other information available to the OCC as a result of its regulatory responsibilities, we conclude that MB Financial's and Cole Taylor's records of helping to meet the credit needs of their communities are consistent with approval of the application.

### **VI. Consummation Requirements**

The OCC will issue a letter certifying consummation of the transaction when we receive:

- A Secretary's Certificate for each institution, certifying that the required shareholder approvals have been obtained.
- Documentation that all other conditions that the OCC imposed have been met.

If the merger with Cole Taylor has not been consummated within twelve months from the approval date, the approval will automatically terminate unless the OCC grants an extension of time. The OCC must be advised in writing of the desired effective date for the mergers so it may issue the necessary certification letter.

These approvals, 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 OCC may modify, suspend or rescind any portion of this decision if a material change in the information on which the OCC relied occurs prior to the date of the transactions 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.

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activity, job creation and growth; community programs that enhance the financial security of LMI households; small business entrepreneurship skill development; educational programs that benefit LMI households or individuals; programs and organizations focusing on LMI families and children at risk; medical and mental health treatment organizations serving LMI individuals; and civic organizations concerned with neighborhood development, revitalization, preservation, and local social issues in LMI communities.

MB Financial Bank, National Association, Chicago, Illinois  
OCC Control Number: 2013-CE-Combination-135555

A separate letter is enclosed requesting the bank's feedback on how we handled the referenced applications. If you have any questions, please contact Senior Licensing Analyst Carolina M. Ledesma by e-mail at [carolina.ledesma@occ.treas.gov](mailto:carolina.ledesma@occ.treas.gov) or by telephone at (312) 360-8867. Please include the OCC Control Numbers on any correspondence related to this filing.

Sincerely,

*signed*

Stephen A. Lybarger  
Deputy Comptroller for Licensing

Attachment: Authorized Operating Subsidiaries

Enclosure: Survey Letter

### AUTHORIZED OPERATING SUBSIDIARIES

	SUBSIDIARY NAME	ACTIVITY
1	RBM Group Associates V, LLC	Inactive – To be dissolved promptly following the bank merger.
2	BMB Associates I LLC	Holding and managing assets acquired by Cole Taylor including property acquired through foreclosure or otherwise in good faith to compromise a doubtful claim or in the course of collecting a debt previously contracted.
3	Cole Taylor Mortgage	Currently inactive, set up to facilitate the eventual sale of Cole Taylor’s residential mortgage banking business.
4	MRB Group Associates IV, LLC	Inactive – To be dissolved promptly following the merger.
5	MBR Group Associates II, LLC	Inactive – To be dissolved promptly following the merger.
6	RMB Group Associates I, LLC	Holding and managing assets acquired by Cole Taylor including property acquired through foreclosure or otherwise in good faith to compromise a doubtful claim or in the course of collecting a debt previously contracted.
7	Cole Taylor Equipment Finance, LLC	Making loans or other extensions of credit for the sale and lease of commercial equipment.
8	BRM Group Associates III, LLC	Inactive – To be dissolved promptly following the bank merger.
9	1965 Milwaukee Ave. Bldg. Corp.	Owens Cole Taylor branch building.
10	Cole Taylor Deferred Exchange Corp.	Inactive – To be dissolved promptly following the bank merger.
11	CT Group, LLC	Holding and managing assets acquired by Cole Taylor including property acquired through foreclosure or otherwise in good faith to compromise a doubtful claim or in the course of collecting a debt previously contracted.
12	TCGRE, Inc.	Inactive – To be dissolved promptly following the bank merger.
13	Taylor Capital Business Advisors Inc.	Inactive – To be dissolved promptly following the bank merger.
14	Acquisition Properties I, LLC	Holding and managing assets acquired by Cole Taylor including property acquired through foreclosure or otherwise in good faith to compromise a doubtful claim or in the course of collecting a debt previously contracted.
15	Carnation Pink Properties, LLC	Holding and managing assets acquired by Cole Taylor including property acquired through foreclosure or otherwise in good faith to compromise a doubtful claim or in the course of collecting a debt previously contracted.
16	Cerise Properties, LLC	Holding and managing assets acquired by Cole Taylor including property acquired through foreclosure or otherwise in good faith to compromise a doubtful claim or in the course of collecting a debt previously contracted.
17	Cerulean Properties, LLC	Holding and managing assets acquired by Cole Taylor including property acquired through foreclosure or otherwise in good faith to compromise a doubtful claim or in the course of collecting a debt previously contracted.
18	Cotton Candy Properties, LLC	Holding and managing assets acquired by Cole Taylor including property acquired through foreclosure or otherwise in good faith to compromise a doubtful claim or in the course of collecting a debt previously contracted.
19	Dandelion Properties, LLC	Holding and managing assets acquired by Cole Taylor including property acquired through foreclosure or otherwise in good faith to compromise a doubtful claim or in the course of collecting a debt previously contracted.
20	Denim Properties, LLC	Holding and managing assets acquired by Cole Taylor including property acquired through foreclosure or otherwise in good faith to compromise a doubtful claim or in the course of collecting a debt previously contracted.
21	Eggplant Properties, LLC	Holding and managing assets acquired by Cole Taylor including property acquired through foreclosure or otherwise in good faith to compromise a doubtful claim or in the course of collecting a debt previously contracted.
22	Electric Lime Properties, LLC	Holding and managing assets acquired by Cole Taylor including property acquired through foreclosure or otherwise in good faith to compromise a

		doubtful claim or in the course of collecting a debt previously contracted.
23	Fern Properties, LLC	Holding and managing assets acquired by Cole Taylor including property acquired through foreclosure or otherwise in good faith to compromise a doubtful claim or in the course of collecting a debt previously contracted.
24	Forest Green Properties, LLC	Holding and managing assets acquired by Cole Taylor including property acquired through foreclosure or otherwise in good faith to compromise a doubtful claim or in the course of collecting a debt previously contracted.
25	Fuschia Properties, LLC	Owens building where Cole Taylor operates a mortgage servicing division.
26	Fuzzy Wuzzy Brown Properties, LLC	Holding and managing assets acquired by Cole Taylor including property acquired through foreclosure or otherwise in good faith to compromise a doubtful claim or in the course of collecting a debt previously contracted.
27	Granny Smith Apple Properties, LLC	Holding and managing assets acquired by Cole Taylor including property acquired through foreclosure or otherwise in good faith to compromise a doubtful claim or in the course of collecting a debt previously contracted.
28	Gray Properties, LLC	Holding and managing assets acquired by Cole Taylor including property acquired through foreclosure or otherwise in good faith to compromise a doubtful claim or in the course of collecting a debt previously contracted.
29	Green Yellow Properties, LLC	Holding and managing assets acquired by Cole Taylor including property acquired through foreclosure or otherwise in good faith to compromise a doubtful claim or in the course of collecting a debt previously contracted.
30	Hot Magenta Properties, LLC	Holding and managing assets acquired by Cole Taylor including property acquired through foreclosure or otherwise in good faith to compromise a doubtful claim or in the course of collecting a debt previously contracted.
31	Inch Worm Properties, LLC	Holding and managing assets acquired by Cole Taylor including property acquired through foreclosure or otherwise in good faith to compromise a doubtful claim or in the course of collecting a debt previously contracted.
32	Jungle Green Properties, LLC	Holding and managing assets acquired by Cole Taylor including property acquired through foreclosure or otherwise in good faith to compromise a doubtful claim or in the course of collecting a debt previously contracted.
33	Laser Lemon Properties, LLC	Holding and managing assets acquired by Cole Taylor including property acquired through foreclosure or otherwise in good faith to compromise a doubtful claim or in the course of collecting a debt previously contracted.
34	Lavender Properties, LLC	Holding and managing assets acquired by Cole Taylor including property acquired through foreclosure or otherwise in good faith to compromise a doubtful claim or in the course of collecting a debt previously contracted.
35	Mountain Meadow Properties, LLC	Holding and managing assets acquired by Cole Taylor including property acquired through foreclosure or otherwise in good faith to compromise a doubtful claim or in the course of collecting a debt previously contracted.
36	Navy Blue Properties, LLC	Holding and managing assets acquired by Cole Taylor including property acquired through foreclosure or otherwise in good faith to compromise a doubtful claim or in the course of collecting a debt previously contracted.
37	Olive Green Properties, LLC	Holding and managing assets acquired by Cole Taylor including property acquired through foreclosure or otherwise in good faith to compromise a doubtful claim or in the course of collecting a debt previously contracted.
38	Pacific Blue Properties, LLC	Holding and managing assets acquired by Cole Taylor including property acquired through foreclosure or otherwise in good faith to compromise a doubtful claim or in the course of collecting a debt previously contracted.
39	Peach Properties, LLC	Holding and managing assets acquired by Cole Taylor including property acquired through foreclosure or otherwise in good faith to compromise a doubtful claim or in the course of collecting a debt previously contracted.
40	Periwinkle Properties, LLC	Holding and managing assets acquired by Cole Taylor including property acquired through foreclosure or otherwise in good faith to compromise a doubtful claim or in the course of collecting a debt previously contracted.

41	Pine Green Properties, LLC	Holding and managing assets acquired by Cole Taylor including property acquired through foreclosure or otherwise in good faith to compromise a doubtful claim or in the course of collecting a debt previously contracted.
42	Plum Properties, LLC	Holding and managing assets acquired by Cole Taylor including property acquired through foreclosure or otherwise in good faith to compromise a doubtful claim or in the course of collecting a debt previously contracted.
43	Purple Properties, LLC	Holding and managing assets acquired by Cole Taylor including property acquired through foreclosure or otherwise in good faith to compromise a doubtful claim or in the course of collecting a debt previously contracted.
44	Red Orange Properties, LLC	Holding and managing assets acquired by Cole Taylor including property acquired through foreclosure or otherwise in good faith to compromise a doubtful claim or in the course of collecting a debt previously contracted.
45	Red Violet Properties, LLC	Holding and managing assets acquired by Cole Taylor including property acquired through foreclosure or otherwise in good faith to compromise a doubtful claim or in the course of collecting a debt previously contracted.
46	Salmon Properties, LLC	Holding and managing assets acquired by Cole Taylor including property acquired through foreclosure or otherwise in good faith to compromise a doubtful claim or in the course of collecting a debt previously contracted.
47	Scarlet Properties, LLC	Holding and managing assets acquired by Cole Taylor including property acquired through foreclosure or otherwise in good faith to compromise a doubtful claim or in the course of collecting a debt previously contracted.
48	Sea Green Properties, LLC	Holding and managing assets acquired by Cole Taylor including property acquired through foreclosure or otherwise in good faith to compromise a doubtful claim or in the course of collecting a debt previously contracted.
49	Sepia Properties, LLC	Holding and managing assets acquired by Cole Taylor including property acquired through foreclosure or otherwise in good faith to compromise a doubtful claim or in the course of collecting a debt previously contracted.
50	Sienna Properties, LLC	Holding and managing assets acquired by Cole Taylor including property acquired through foreclosure or otherwise in good faith to compromise a doubtful claim or in the course of collecting a debt previously contracted.
51	Spring Green Properties, LLC	Holding and managing assets acquired by Cole Taylor including property acquired through foreclosure or otherwise in good faith to compromise a doubtful claim or in the course of collecting a debt previously contracted.
52	Sunset Orange Properties, LLC	Holding and managing assets acquired by Cole Taylor including property acquired through foreclosure or otherwise in good faith to compromise a doubtful claim or in the course of collecting a debt previously contracted.
53	Tan Properties, LLC	Holding and managing assets acquired by Cole Taylor including property acquired through foreclosure or otherwise in good faith to compromise a doubtful claim or in the course of collecting a debt previously contracted.
54	Timberwolf Properties, LLC	Holding and managing assets acquired by Cole Taylor including property acquired through foreclosure or otherwise in good faith to compromise a doubtful claim or in the course of collecting a debt previously contracted.
55	Tropical Forest Properties, LLC	Holding and managing assets acquired by Cole Taylor including property acquired through foreclosure or otherwise in good faith to compromise a doubtful claim or in the course of collecting a debt previously contracted.
56	Anemone Properties, LLC	Holding and managing assets acquired by Cole Taylor including property acquired through foreclosure or otherwise in good faith to compromise a doubtful claim or in the course of collecting a debt previously contracted.
57	Anise Properties, LLC	Holding and managing assets acquired by Cole Taylor including property acquired through foreclosure or otherwise in good faith to compromise a doubtful claim or in the course of collecting a debt previously contracted.
58	Dogbane Properties, LLC	Holding and managing assets acquired by Cole Taylor including property acquired through foreclosure or otherwise in good faith to compromise a doubtful claim or in the course of collecting a debt previously contracted.

59	Foxglove Properties, LLC	Holding and managing assets acquired by Cole Taylor including property acquired through foreclosure or otherwise in good faith to compromise a doubtful claim or in the course of collecting a debt previously contracted.
60	Hyssop Properties, LLC	Holding and managing assets acquired by Cole Taylor including property acquired through foreclosure or otherwise in good faith to compromise a doubtful claim or in the course of collecting a debt previously contracted.
61	Ragweed Properties, LLC	Holding and managing assets acquired by Cole Taylor including property acquired through foreclosure or otherwise in good faith to compromise a doubtful claim or in the course of collecting a debt previously contracted.
62	Thimbleweed Properties, LLC	Holding and managing assets acquired by Cole Taylor including property acquired through foreclosure or otherwise in good faith to compromise a doubtful claim or in the course of collecting a debt previously contracted.
63	Turquoise Blue Properties, LLC	Holding and managing assets acquired by Cole Taylor including property acquired through foreclosure or otherwise in good faith to compromise a doubtful claim or in the course of collecting a debt previously contracted.
64	Violet Red Properties, LLC	Holding and managing assets acquired by Cole Taylor including property acquired through foreclosure or otherwise in good faith to compromise a doubtful claim or in the course of collecting a debt previously contracted.
65	White Sage Properties, LLC	Holding and managing assets acquired by Cole Taylor including property acquired through foreclosure or otherwise in good faith to compromise a doubtful claim or in the course of collecting a debt previously contracted.
66	Wisteria Properties, LLC	Holding and managing assets acquired by Cole Taylor including property acquired through foreclosure or otherwise in good faith to compromise a doubtful claim or in the course of collecting a debt previously contracted.
67	Yellow Orange Properties, LLC	Holding and managing assets acquired by Cole Taylor including property acquired through foreclosure or otherwise in good faith to compromise a doubtful claim or in the course of collecting a debt previously contracted.
68	Aster Properties, LLC	Holding and managing assets acquired by Cole Taylor including property acquired through foreclosure or otherwise in good faith to compromise a doubtful claim or in the course of collecting a debt previously contracted.
69	Blazingstar Properties, LLC	Holding and managing assets acquired by Cole Taylor including property acquired through foreclosure or otherwise in good faith to compromise a doubtful claim or in the course of collecting a debt previously contracted.
70	Blue Indigo Properties, LLC	Holding and managing assets acquired by Cole Taylor including property acquired through foreclosure or otherwise in good faith to compromise a doubtful claim or in the course of collecting a debt previously contracted.
71	Coneflower Properties, LLC	Holding and managing assets acquired by Cole Taylor including property acquired through foreclosure or otherwise in good faith to compromise a doubtful claim or in the course of collecting a debt previously contracted.
72	Dayflower Properties, LLC	Holding and managing assets acquired by Cole Taylor including property acquired through foreclosure or otherwise in good faith to compromise a doubtful claim or in the course of collecting a debt previously contracted.
73	Harebell Properties, LLC	Holding and managing assets acquired by Cole Taylor including property acquired through foreclosure or otherwise in good faith to compromise a doubtful claim or in the course of collecting a debt previously contracted.
74	Hyacinth Properties, LLC	Holding and managing assets acquired by Cole Taylor including property acquired through foreclosure or otherwise in good faith to compromise a doubtful claim or in the course of collecting a debt previously contracted.
75	Larkspur Properties, LLC	Holding and managing assets acquired by Cole Taylor including property acquired through foreclosure or otherwise in good faith to compromise a doubtful claim or in the course of collecting a debt previously contracted.
76	Milkweed Properties, LLC	Holding and managing assets acquired by Cole Taylor including property acquired through foreclosure or otherwise in good faith to compromise a doubtful claim or in the course of collecting a debt previously contracted.

77	Prairie Clover Properties, LLC	Holding and managing assets acquired by Cole Taylor including property acquired through foreclosure or otherwise in good faith to compromise a doubtful claim or in the course of collecting a debt previously contracted.
78	Trefoil Properties, LLC	Holding and managing assets acquired by Cole Taylor including property acquired through foreclosure or otherwise in good faith to compromise a doubtful claim or in the course of collecting a debt previously contracted.
79	Wood Mint Properties, LLC	Holding and managing assets acquired by Cole Taylor including property acquired through foreclosure or otherwise in good faith to compromise a doubtful claim or in the course of collecting a debt previously contracted.
80	Barberry Properties, LLC	Holding and managing assets acquired by Cole Taylor including property acquired through foreclosure or otherwise in good faith to compromise a doubtful claim or in the course of collecting a debt previously contracted.
81	Birch Properties, LLC	Holding and managing assets acquired by Cole Taylor including property acquired through foreclosure or otherwise in good faith to compromise a doubtful claim or in the course of collecting a debt previously contracted.
82	Buckeye Properties, LLC	Holding and managing assets acquired by Cole Taylor including property acquired through foreclosure or otherwise in good faith to compromise a doubtful claim or in the course of collecting a debt previously contracted.
83	Hackberry Properties, LLC	Holding and managing assets acquired by Cole Taylor including property acquired through foreclosure or otherwise in good faith to compromise a doubtful claim or in the course of collecting a debt previously contracted.
85	Mulberry Properties, LLC	Holding and managing assets acquired by Cole Taylor including property acquired through foreclosure or otherwise in good faith to compromise a doubtful claim or in the course of collecting a debt previously contracted.
86	Ninebark Properties, LLC	Holding and managing assets acquired by Cole Taylor including property acquired through foreclosure or otherwise in good faith to compromise a doubtful claim or in the course of collecting a debt previously contracted.
87	Persimmon Properties, LLC	Holding and managing assets acquired by Cole Taylor including property acquired through foreclosure or otherwise in good faith to compromise a doubtful claim or in the course of collecting a debt previously contracted.
88	Privet Properties, LLC	Holding and managing assets acquired by Cole Taylor including property acquired through foreclosure or otherwise in good faith to compromise a doubtful claim or in the course of collecting a debt previously contracted.
89	Red Ash Properties, LLC	Holding and managing assets acquired by Cole Taylor including property acquired through foreclosure or otherwise in good faith to compromise a doubtful claim or in the course of collecting a debt previously contracted.
90	Silver Maple Properties, LLC	Holding and managing assets acquired by Cole Taylor including property acquired through foreclosure or otherwise in good faith to compromise a doubtful claim or in the course of collecting a debt previously contracted.
91	Bellflower Properties, LLC	Holding and managing assets acquired by Cole Taylor including property acquired through foreclosure or otherwise in good faith to compromise a doubtful claim or in the course of collecting a debt previously contracted.
92	Bluevine Properties, LLC	Holding and managing assets acquired by Cole Taylor including property acquired through foreclosure or otherwise in good faith to compromise a doubtful claim or in the course of collecting a debt previously contracted.
93	Buttercup Properties, LLC	Holding and managing assets acquired by Cole Taylor including property acquired through foreclosure or otherwise in good faith to compromise a doubtful claim or in the course of collecting a debt previously contracted.
94	Ginger Properties, LLC	Holding and managing assets acquired by Cole Taylor including property acquired through foreclosure or otherwise in good faith to compromise a doubtful claim or in the course of collecting a debt previously contracted.
95	Plantain Properties, LLC	Holding and managing assets acquired by Cole Taylor including property acquired through foreclosure or otherwise in good faith to compromise a doubtful claim or in the course of collecting a debt previously contracted.

96	Rock Cress Properties, LLC	Holding and managing assets acquired by Cole Taylor including property acquired through foreclosure or otherwise in good faith to compromise a doubtful claim or in the course of collecting a debt previously contracted.
97	Sedge Properties, LLC	Holding and managing assets acquired by Cole Taylor including property acquired through foreclosure or otherwise in good faith to compromise a doubtful claim or in the course of collecting a debt previously contracted.
98	Stonecrop Properties, LLC	Holding and managing assets acquired by Cole Taylor including property acquired through foreclosure or otherwise in good faith to compromise a doubtful claim or in the course of collecting a debt previously contracted.
99	Sumac Properties, LLC	Holding and managing assets acquired by Cole Taylor including property acquired through foreclosure or otherwise in good faith to compromise a doubtful claim or in the course of collecting a debt previously contracted.
100	Trillium Properties, LLC	Holding and managing assets acquired by Cole Taylor including property acquired through foreclosure or otherwise in good faith to compromise a doubtful claim or in the course of collecting a debt previously contracted.
101	Viburnum Properties, LLC	Holding and managing assets acquired by Cole Taylor including property acquired through foreclosure or otherwise in good faith to compromise a doubtful claim or in the course of collecting a debt previously contracted.
102	Waterleaf Properties, LLC	Holding and managing assets acquired by Cole Taylor including property acquired through foreclosure or otherwise in good faith to compromise a doubtful claim or in the course of collecting a debt previously contracted.
103	Acquisition Properties II, LLC	Holding and managing assets acquired by Cole Taylor including property acquired through foreclosure or otherwise in good faith to compromise a doubtful claim or in the course of collecting a debt previously contracted.
104	Acquisition Properties III, LLC	Holding and managing assets acquired by Cole Taylor including property acquired through foreclosure or otherwise in good faith to compromise a doubtful claim or in the course of collecting a debt previously contracted.
105	Acquisition Properties IV, LLC	Holding and managing assets acquired by Cole Taylor including property acquired through foreclosure or otherwise in good faith to compromise a doubtful claim or in the course of collecting a debt previously contracted.
106	Acquisition Properties VI, LLC	Holding and managing assets acquired by Cole Taylor including property acquired through foreclosure or otherwise in good faith to compromise a doubtful claim or in the course of collecting a debt previously contracted.
107	Almond Properties, LLC	Holding and managing assets acquired by Cole Taylor including property acquired through foreclosure or otherwise in good faith to compromise a doubtful claim or in the course of collecting a debt previously contracted.
108	Antique Brass Properties, LLC	Holding and managing assets acquired by Cole Taylor including property acquired through foreclosure or otherwise in good faith to compromise a doubtful claim or in the course of collecting a debt previously contracted.
109	Apricot Properties, LLC	Holding and managing assets acquired by Cole Taylor including property acquired through foreclosure or otherwise in good faith to compromise a doubtful claim or in the course of collecting a debt previously contracted.
110	Aquamarine Properties, LLC	Holding and managing assets acquired by Cole Taylor including property acquired through foreclosure or otherwise in good faith to compromise a doubtful claim or in the course of collecting a debt previously contracted.
111	Atomic Tangerine Properties, LLC	Holding and managing assets acquired by Cole Taylor including property acquired through foreclosure or otherwise in good faith to compromise a doubtful claim or in the course of collecting a debt previously contracted.
112	Banana Mania Properties, LLC	Holding and managing assets acquired by Cole Taylor including property acquired through foreclosure or otherwise in good faith to compromise a doubtful claim or in the course of collecting a debt previously contracted.
113	Blizzard Blue Properties, LLC	Holding and managing assets acquired by Cole Taylor including property acquired through foreclosure or otherwise in good faith to compromise a doubtful claim or in the course of collecting a debt previously contracted.

114	Blue Bell Properties, LLC	Holding and managing assets acquired by Cole Taylor including property acquired through foreclosure or otherwise in good faith to compromise a doubtful claim or in the course of collecting a debt previously contracted.
115	Blush Properties, LLC	Holding and managing assets acquired by Cole Taylor including property acquired through foreclosure or otherwise in good faith to compromise a doubtful claim or in the course of collecting a debt previously contracted.
116	Brick Red Properties, LLC	Holding and managing assets acquired by Cole Taylor including property acquired through foreclosure or otherwise in good faith to compromise a doubtful claim or in the course of collecting a debt previously contracted.
117	Brown Properties, LLC	Holding and managing assets acquired by Cole Taylor including property acquired through foreclosure or otherwise in good faith to compromise a doubtful claim or in the course of collecting a debt previously contracted.
118	Burnt Orange Properties, LLC	Holding and managing assets acquired by Cole Taylor including property acquired through foreclosure or otherwise in good faith to compromise a doubtful claim or in the course of collecting a debt previously contracted.
119	Cadet Blue Properties, LLC	Holding and managing assets acquired by Cole Taylor including property acquired through foreclosure or otherwise in good faith to compromise a doubtful claim or in the course of collecting a debt previously contracted.
120	Canary Properties, LLC	Holding and managing assets acquired by Cole Taylor including property acquired through foreclosure or otherwise in good faith to compromise a doubtful claim or in the course of collecting a debt previously contracted.
121	Caribbean Green Properties, LLC	Holding and managing assets acquired by Cole Taylor including property acquired through foreclosure or otherwise in good faith to compromise a doubtful claim or in the course of collecting a debt previously contracted.
122	Cole Taylor Insurance Services, Inc.	Does not engage in any activity other than the receipt of residual payments related to former insurance and annuity sales.