



**Conditional Approval #1136
November 2015**

October 6, 2015

Mark J. Menting, Esq.
Sullivan & Cromwell LLP
125 Broad Street
New York, New York 10004-2498

Re: Applications for Voluntary Dissolution, Transfer of Assets, and Capital Distribution filed on behalf of Boulevard Bank, Des Peres, Missouri Charter No. 706033
Control Nos. 2015-HQ-144173, 144174, and 144175

Dear Mr. Menting:

The Office of the Comptroller of the Currency (OCC) hereby approves the Transfer of Assets Application and conditionally approves the Voluntary Dissolution Application and the Capital Distribution Application (collectively, as supplemented, the Applications) filed by Boulevard Bank, Des Peres, Missouri (Bank). The Bank is a federally chartered savings association and is a wholly owned subsidiary of Scottrade Financial Services, Inc. (SFSI). The OCC received the Applications on May 5, 2015, and the Applications were supplemented with additional information on subsequent dates.

The OCC reviewed the Applications in accordance with applicable laws, regulations, and OCC policy. Based on a thorough review of all available information, including the representations and commitments made in the Applications and by the Bank's representatives, the OCC has concluded that the Applications satisfy the applicable approval standards, provided the Bank complies with the conditions set forth herein for the Voluntary Dissolution and Capital Distribution Applications. The OCC's approval is subject to the consummation requirements and conditions set forth herein.

The Plan of Voluntary Dissolution

The Bank's Board of Directors unanimously adopted a Plan of Voluntary Liquidation and Dissolution (Dissolution Plan). The Dissolution Plan provides for: (1) obtaining the approval of the OCC and other applicable governmental agencies to consummate the Dissolution Plan; (2) obtaining the shareholder's consent; (3) entering into an agreement with SFSI, pursuant to

Mark Menting, Esq.
Boulevard Bank
Control Numbers: 2015-HQ-144173, 144174, and 144175

which SFSI will guaranty payment of liabilities of the Bank after the dissolution of the Bank; (4) completing the liquidation of the Bank's assets and liabilities including deposits; (5) selling certain of the Bank's assets to its affiliated federal savings bank, Scottrade Bank; (6) selling and distributing its remaining assets to SFSI; and (7) terminating the Bank's corporate existence.

Transfer of Assets

The Bank has applied for OCC approval under 12 CFR 163.22(c) to sell its mortgage loan portfolio to Scottrade Bank. The OCC has reviewed the Transfer of Assets Application under 12 CFR 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 and disclosure concerning the transaction. The Bank certifies that none of the mortgage loans sold to Scottrade Bank will constitute "low quality assets." The OCC concludes that approval of the Transfer of Assets Application is consistent with the regulation.

Voluntary Dissolution

The OCC has reviewed the Voluntary Dissolution Application pursuant to 12 CFR 146.4, which provides that the OCC may approve a dissolution plan if the OCC believes the plan is advisable and best for all concerned.

The Voluntary Dissolution Application includes a draft guaranty agreement (Guaranty Agreement), pursuant to which SFSI would guaranty the payment of any known or unknown obligations of the Bank, until the third anniversary of the effective date of the Guaranty Agreement. To ensure that the final Guaranty Agreement is identical to the draft Guaranty Agreement or otherwise acceptable to the OCC, an approval condition is included requiring that, no later than three business days prior to the date of the dissolution of the Bank, the Bank submit to the OCC a copy of the Guaranty Agreement executed by SFSI, in substantially the same form as the draft submitted to the OCC, or as otherwise acceptable to the OCC.

In addition, to ensure that the books and records of the Bank are preserved, an approval condition is included requiring that, no later than three business days prior to the date of the dissolution, the Bank and SFSI provide a written commitment to the OCC that SFSI will preserve all of the Bank's books and records of any nature for a period of seven years following the dissolution of the Bank.

To ensure that the Bank's responsibilities to creditors and others and all other matters are addressed, an approval condition is included requiring that, if the Bank's dissolution has not been completed by March 31, 2016, the Bank shall submit, in a form acceptable to the OCC, a plan to dissolve the Bank, and shall adhere to that plan.

Mark Menting, Esq.
Boulevard Bank
Control Numbers: 2015-HQ-144173, 144174, and 144175

The OCC has reviewed the Bank's Voluntary Dissolution Application pursuant to the terms of 12 CFR 146.4 and concludes that approval is consistent with the regulation, subject to the conditions set forth herein.

Capital Distribution

The Capital Distribution Application, filed pursuant to 12 CFR 163, Subpart E, is for the Bank to issue liquidating dividends to SFSI, consisting of assets not otherwise transferred pursuant to the transfers of asset arrangements, or otherwise disposed of, and the net proceeds of the liquidation efforts. As discussed in more detail in the application, the Bank proposes to make an initial capital distribution of at least \$24 million to SFSI shortly after the completion of the sale of the mortgage loan portfolio and payment of all deposits, and to make a liquidating distribution of its remaining equity (Liquidating Distribution) at the completion of the voluntary dissolution.

Pursuant to 12 CFR 163.146, the OCC reviews a capital distribution application under the review procedures in 12 CFR 116, Subpart E, and will deny a capital distribution application in whole or in part if the proposed distribution would: (i) cause the federal savings association to become undercapitalized;¹ (ii) raise safety or soundness concerns; or (iii) violate any statute, regulation, agreement between the Bank and the OCC or the Office of Thrift Supervision (OTS), or violates a condition imposed on the federal savings association by the OCC or OTS in the approval of the application or notice.²

The OCC has reviewed the Capital Distribution Application pursuant to the terms of 12 CFR 163.146 and concludes that approval is consistent with the regulation, subject to the conditions set forth herein.

Conditions

The OCC approves the Voluntary Dissolution and Capital Distribution Applications subject to the following conditions:

1. No later than three business days prior to the date of consummation of the dissolution, the Bank shall submit to the OCC a copy of the executed Guaranty Agreement by SFSI, in the same form as the draft submitted to the OCC;
2. No later than three business days prior to the date of consummation of the dissolution, the Bank shall provide a written commitment from SFSI and the Bank to the OCC to preserve all of the Bank's books and records of any nature for seven years following the dissolution of the Bank, in the same form as the draft submitted to the OCC;

¹ If this factor is met, the OCC may still approve the capital distribution request if it determines that the capital distribution is permitted under 12 USC 1831o(d)(1)(B).

² If this factor is met, the OCC may still determine whether it may permit the proposed capital distribution notwithstanding the violation. 12 CFR 163.146(c).

Mark Menting, Esq.

Boulevard Bank

Control Numbers: 2015-HQ-144173, 144174, and 144175

3. No later than three weeks prior to consummation of the dissolution of the Bank, the Bank shall publish notice of its dissolution once a week for three weeks, in substantially the same form as the draft notice submitted to the OCC, in a local newspaper of general circulation and furnish the OCC with proof of such publication;
4. If the Bank is not dissolved by March 31, 2016, the Bank shall immediately notify the OCC and submit, in a form acceptable to the OCC, a plan to continue the dissolution of the Bank, and shall adhere to that plan; and
5. The Bank shall not complete the Liquidating Distribution until all other conditions herein are accomplished to the satisfaction of the OCC.

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 USC 1818. As such, the conditions are enforceable under 12 USC 1818.

Consummation Requirements

On the business day prior to the date of the consummation of the sale of the mortgage loan portfolio, the chief financial officer of the Bank must certify in writing to the Director for Central District Licensing (DDL) that no material adverse events or material adverse changes have occurred with respect to the financial condition or operation of the Bank as disclosed in the Applications. If additional information having a material adverse effect on any feature of the Applications is brought to the attention of the Bank, SFSI or the OCC since the date of the financial statements submitted with the Applications, the Bank must not consummate the sale of the mortgage loan portfolio, unless the information is presented to the DDL and the DDL provides written non-objection to the consummation of the sale of the mortgage loan portfolio.

On the business day prior to the date of the consummation of the dissolution, the chief financial officer of the Bank must certify in writing to the DDL that no material adverse events or material adverse changes have occurred with respect to the financial condition or operation of the Bank as disclosed in the Applications. If additional information having a material adverse effect on any feature of the Applications is brought to the attention of the Bank, SFSI or the OCC since the date of the financial statements submitted with the Applications, the Bank must not consummate the Voluntary Dissolution, or any Capital Distribution, as applicable, unless the information is presented to the DDL and the DDL provides written non-objection to the consummation of the Voluntary Dissolution, or any Capital Distributions, as applicable.

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

Mark Menting, Esq.

Boulevard Bank

Control Numbers: 2015-HQ-144173, 144174, and 144175

- Copies of all regulatory approvals for the sale of assets not previously submitted prior to the proposed date of sale of the mortgage loan portfolio;
- Copies of all other regulatory approvals not previously submitted prior to the proposed date of dissolution;
- Copy of the written consent of the Bank's shareholder for the proposed Transfer of Assets transaction, voluntary dissolution and capital distributions prior to the consummation of each of the relevant transactions;
- Reports of Examination pertaining to the Bank, or certification that Reports of Examination were properly disposed of;
- No later than five business days after the date of the consummation of each of the Transfer of Assets Transaction, Capital Distribution, and Voluntary Dissolution, a certification must be filed stating the effective date of each transaction. The certification must specify the transaction, or transactions, that were consummated and that such transactions were completed in accordance with all applicable laws and regulations, the Applications, and this letter; and
- No later than five business days after the date of the consummation of the Voluntary Dissolution, all official copies of the federal charter must be returned to the OCC.

If the transactions are not consummated within 180 calendar days after the approval date, the approval shall automatically terminate, unless the OCC grants an extension for good cause.

These approvals and the activities and communications by OCC employees in connection with the filings 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 the date of this letter. 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 pertains. The foregoing may not be waived or modified by any employee or agent of the OCC or the United States.

Mark Menting, Esq.
Boulevard Bank
Control Numbers: 2015-HQ-144173, 144174, and 144175

A separate letter is enclosed requesting your feedback on how the OCC handled your application. We would appreciate your response so we may continue to improve our service.

If you have any questions, please contact Kimberly Lynch, Senior Licensing Analyst, Licensing, at (312) 660-8716.

Sincerely,

signed

Stephen A. Lybarger
Deputy Comptroller for Licensing

Enclosure