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Comptroller of the Currency  
Administrator of National Banks

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Northeastern District  
1114 Avenue of the Americas, Suite 3900  
New York, New York 10036

December 7, 2004

**Conditional Approval #667  
January 2005**

Mr. James S. Furash  
President & CEO  
Treasury Bank, National Association  
1199 North Fairfax Street, Suite 500  
Alexandria, VA 22314

Re: ReconTrust Company, National Association (Proposed), Thousand Oaks, CA  
Application Control Numbers: 2004-NE-01-0010, 2004-NE-08-025  
Charter #24559

Dear Mr. Furash:

The Office of the Comptroller of the Currency (“OCC”) has reviewed your application to establish a new uninsured national trust bank, which will engage solely in fiduciary activities with the title of ReconTrust Company, National Association, (“Bank”). On December 7, 2004, the OCC granted preliminary conditional approval of your charter application after a determination that your proposal met certain regulatory and policy requirements. In addition, your request to establish the new bank as an operating subsidiary of Treasury Bank, National Association is approved.

This preliminary conditional approval is granted based on a thorough review of all information available, including the representations and commitments made in the application and by the proposed Bank’s representatives. We also made our decision to grant preliminary conditional approval with the understanding that the proposed Bank will apply for membership in the Federal Reserve System and will not be FDIC-insured.

This preliminary conditional approval is subject to the following conditions:

1. At all times, the Bank shall maintain a minimum of \$10 million in Tier 1 capital.

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2. If the Bank fails to maintain Tier 1 capital in the amount of \$10 million, the Bank shall be deemed "undercapitalized," for the purposes of 12 U.S.C. § 1831o and 12 C.F.R. § 6, and the OCC shall have the authority to take any action authorized under all provisions of 12 U.S.C. § 1831o and 12 C.F.R. § 6 applicable to an undercapitalized national bank. For purposes of section 1831o(e)(5), an action "necessary to carry out the purpose of this section" shall include restoration of the Bank's capital so that it is not "undercapitalized," and any other action deemed advisable by the OCC to address the Bank's capital deficiency or the safety and soundness of its operations.
3. The Bank (i) shall give the OCC's Large Bank Supervision at least sixty (60) days prior written notice of its intent to significantly deviate or change from the business plan or operations and (ii) shall obtain the OCC's written determination of no objection before the Bank engages in any significant deviation or change from the business plan or operations.<sup>1</sup>

The conditions of this approval are conditions "imposed in writing by the agency in connection with the granting of any application or other request" within the meaning of 12 U.S.C. § 1818 and, as such, are enforceable under 12 U.S.C. § 1818.

The OCC is currently reviewing its capital and liquidity policy with respect to national trust banks. Should there be a change in our policy as a result of the review, we will advise you accordingly. In addition, if the Bank's future assets under management increase significantly, or if the Bank assumes additional risk, the OCC may conclude that increased capital is required.

You are reminded that the Bank must establish and maintain a Fiduciary Audit Committee consistent with requirements of 12 C.F.R. § 9.9 (c).

The trust officers and staff should become thoroughly familiar with "Fiduciary Activities for National Banks" at 12 C.F.R. § 9 and 12 C.F.R. § 5.26. Management is reminded that 12 C.F.R. § 5.26 requires a national bank which already has approval to engage in fiduciary activities to provide written notice to the OCC when commencing fiduciary activities in a new state.

The OCC has granted preliminary conditional approval only. Final approval and authorization for the Bank to open will not be granted until all preopening requirements are met. Until final approval is granted, the OCC has the right to alter, suspend, or revoke conditional preliminary approval should any interim development be deemed by the OCC to warrant such action.

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<sup>1</sup> If such deviation is the subject of an application filed with the OCC, no separate notice to the Supervisory Office is required.

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The OCC poses no objection to the following persons serving as executive officers and directors of the Bank as proposed in the application.

James S. Furash	Director
Paul G. Decoff	Director, President
Michael Muir	Director
Clay Simmons, III	Director & Chief Financial Officer
Ronn Pisapia	Director & Senior Vice President

You are reminded that additional executive officers to be appointed prior to opening are subject to the OCC's prior review and clearance. Also, for a period of two years after the Bank has opened for business, the Bank must seek and receive no objection from the OCC prior to any new executive officer or director assuming such position.

Not all background checks requested by the OCC have been received for Mr. Pisapia. Although we have decided not to delay action pending receipt of those responses, continued service of the affected individual will be dependent on satisfactory completion of the background investigation process.

The "Charters" booklet in the Comptroller's Licensing Manual provides guidance for organizing your bank. The booklet is located at the OCC's web site: <http://www.occ.treas.gov/corpbook/gorup4/public/pdf/charters.pdf>. The booklet contains all of the steps you must take to receive your charter. As detailed in the booklet, you may establish the corporate existence of and begin organizing the Bank as soon as you adopt and forward acceptable Articles of Association and the Organization Certificate to this office. As a "body corporate" or legal entity, you may begin taking those steps necessary for obtaining final approval, but you may not begin the business of banking until you fulfill all requirements for a bank in organization and you are granted final approval by the OCC.

Enclosed are standard requirements that must be met, as applicable, before the Bank will be allowed to commence business. Management must ensure that the applicable policies and procedures are established and adopted by the Board of Directors before the Bank begins operation. Applicable standard requirements also must be satisfied before the Bank will be allowed to commence business.

If the Bank is not opened within one year from the approval date, the preliminary conditional approval will expire.

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The OCC will send to you under separate cover an appropriate set of OCC handbooks, manuals, issuances, and selected other publications. This information does not include the Comptroller's Licensing Manual, which is available in electronic form at our web site:  
<http://www.occ.treas.gov/corpapps/corpapplic.htm>.

This conditional 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 U.S., any agency or entity of the U.S., or any officer or employee of the U.S., 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 U.S.

If you have any questions, please contact me at (212) 790-4055.

Sincerely,

*/s/ Sandya R. Reddy*

Sandya R. Reddy  
Senior Licensing Analyst

Enclosures: Standard Requirements and Minimum Policies and Procedures