



Comptroller of the Currency
Administrator of National Banks

Central District Office
One Financial Place, Suite 2700
440 South LaSalle Street
Chicago, Illinois 60605

Corporate Decision #2009-14
September 2009

August 21, 2009

Mr. Harley Vestrum
Chief Risk Officer
Stearns Bank National Association
4191 2nd Street South
St. Cloud, Minnesota 56301

Re: Application by Stearns Bank National Association, St. Cloud, Minnesota to purchase certain assets and assume certain liabilities of eBank, Atlanta, Georgia
OCC Application Number: 09-CE-02-031

Dear Mr. Vestrum:

The Office of the Comptroller of the Currency (“OCC”) approves the application of Stearns Bank National Association, St. Cloud, Minnesota (“Acquirer”) to purchase certain assets of and assume certain liabilities of eBank, Atlanta, Georgia (“Failed Entity”), for the reasons set below. As discussed below, the transaction may be consummated immediately upon approval. 12 U.S.C. § 1828(c)(6).

“Failed Entity”, a Federal Savings Bank with deposits insured by the Federal Deposit Insurance Corporation (“FDIC”), was declared closed by the Office of Thrift Supervision on August 21, 2009, and the FDIC was appointed as receiver. The Comptroller has now been asked to grant his written approval of the proposed agreement negotiated between the FDIC and Acquirer by which the latter would purchase certain assets and assume certain liabilities of Failed Entity.

This approval is granted based upon the information contained in the Acquirer’s application and other information and representations made to the OCC during its processing of the application.

The Purchase and Assumption

Acquirer applied to the OCC for approval to purchase certain assets of and assume certain liabilities of Failed Entity under 12 U.S.C. §§ 24 (Seventh) and 1828(c) (the “Transaction”). The Acquirer is located in Minnesota and the Failed Entity is located in Georgia. A national bank may acquire all or part of a depository institution through a purchase and assumption transaction under 12 U.S.C. § 24 (Seventh). Thus, the Transaction is legally authorized and the OCC approves the Transaction.

Acquirer also requested OCC approval to operate the Failed Entity's main office as a branch upon consummation of the Transaction. As authorized by 2 U.S.C. § 36(c) and applicable interstate branching law pursuant to national banks by section 36(c), the OCC approves Acquirer's retention and operation of Failed Entity's premises as a branch of Acquirer.

Bank Merger Act

The OCC reviewed the proposed purchase and assumption Transaction under the criteria of the Bank Merger Act, 12 U.S.C. § 1828(c), and applicable OCC regulations and policies. The OCC considered the financial and managerial resources of the banks, their future prospects, and the convenience and needs of the communities to be served. In addition, the Bank Merger Act requires the OCC to consider “the effectiveness of any insured depository institution involved in the proposed merger Transaction in combating money laundering activities, including overseas branches,” 12 U.S.C. § 1828(c)(11). We considered these factors and found them consistent with approval under the statutory provisions.

In addition, the OCC also finds, under the standards set forth in the Bank Merger Act, that it must act on the application immediately. 12 U.S.C. § 1828(c)(3), (4)(C)(i), and (6). Consequently, there is no requirement for publication of notice of the Transaction, for a request by the OCC of a competitive factors report from the Attorney General, or for a post-approval waiting period prior to consummation of the Transaction.

Community Reinvestment Act

The Community Reinvestment Act (“CRA”) requires the OCC to take into account the applicants’ records of helping to meet the credit needs of the community, including low-and-moderate-income (“LMI”) neighborhoods, when evaluating certain applications, including transactions that are subject to the Bank Merger Act. 12 U.S.C. § 2903; 12 C.F.R. § 25.29. The OCC considers the CRA performance evaluation of each institution involved in the Transaction. A review of the record of these applicants and other information available to the OCC as a result of its regulatory responsibilities, revealed no evidence that the applicants’ records of helping to meet the credit needs of their communities, including LMI neighborhoods, is less than satisfactory.

Consummation Guidance

This approval is granted based on our understanding that other applicable regulatory approvals, non-objections or waivers with respect to the proposed Transaction will have been received prior to the consummation of the Transaction. Please refer to the Business Combinations booklet of the *Comptroller's Licensing Manual* for steps to complete the transaction.

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 questions regarding this letter, please contact Marta A. Reyes, Senior Licensing Analyst, at (312) 360-8872 or at marta.reyes@occ.treas.gov. Please reference the application control number in any correspondence.

Sincerely,

Travis W. Wilbert

Travis W. Wilbert
Director for District Licensing
National Bank Examiner