



January 8, 2018

**Conditional Approval #1190  
February 2018**

Ralph Mires, Managing Director  
John Pittman, Managing Director  
Mires & Pittman Financial Institutions Advisors, LLC  
17627 Cody St.  
Overland Park, KS 66221

Re: Change in Bank Control  
Antoun Sehnaoui  
Pikes Peak National Bank, Colorado Springs, CO  
OCC Control No.: 2017 WE CBCA 295714

Dear Messrs Mires and Pittman:

The Office of the Comptroller of the Currency (OCC) has reviewed and evaluated the Notice of Change in Bank Control filed by Antoun Sehnaoui (Notice), to acquire control of Pikes Peak National Bank, Colorado Springs, Colorado. Based upon a thorough review of all information available, including representations and commitments made by Mr. Sehnaoui and his representatives in the Notice, the OCC does not intend to disapprove the proposed change in control. This shall also serve to advise you that the notice is deemed technically complete as of January 8, 2018.

The OCC has determined that the statutory and regulatory factors, as set forth in 12 USC 1817(j)(7) and 12 CFR 5.50(f)(5) are consistent with this decision. The OCC may disapprove a notice if the OCC finds that: (1) the proposed acquisition of control would result in a monopoly or would further any monopoly or conspiracy to monopolize the business of banking anywhere in the United States; (2) the effect of the proposed acquisition may substantially lessen competition or tend to create a monopoly or in any other manner restrain trade and the anticompetitive effects are not clearly outweighed by benefits to the convenience and needs of the community to be served; (3) either the financial condition of any acquiring party or the future prospects of the bank is such as might jeopardize the stability of the bank or prejudice the interests of its depositors; (4) the competence, experience, or integrity of the acquiring party or of the proposed management indicate that it would not be in the interests of the depositors and the public for such persons to control the bank; (5) the acquiring party does not provide the OCC with all required information; or (6) the proposal would result in an adverse effect on the Deposit Insurance fund.

Non-disapproval is also granted with the following conditions, requiring Mr. Sehnaoui to take certain actions and make certain commitments to his ownership interest in parallel-owned banking organizations and other foreign affiliates. The conditions are intended to address regulatory concerns raised by parallel banking organizations.<sup>1</sup>

(1) Mr. Sehnaoui agrees to provide all information, without regard to whether such information is located within or without the United States, when requested, relating to:

- a) Enforcement or possible enforcement of, or any proceeding under, any U.S. Law;
- b) The direct or indirect ownership or control of bank, and;
- c) The operations or activities of the bank, or any institution-affiliated parties (IAP) regarding each thereof under U.S. Law, including any unsafe or unsound practice or breach of fiduciary duty by bank, or by any IAP with respect to each thereof.

(2) Mr. Sehnaoui agrees to provide the OCC and its staff access, to permit the OCC and its staff to examine, and to provide the OCC and its staff with copies of, all Books and Records; access to electronic records that accurately reflect the information in the Books and Records; and any other information, of or concerning bank, as requested by the OCC or its staff, without regard to whether such Books and Records or other information are located within or without the United States.

“Books and Records” shall consist of audited financial statements, quarterly unaudited financial statements, composition of loan portfolio and loan loss reserve, composition of the investment portfolio, examination reports issued by applicable Lebanese regulatory agencies, customary regulatory reports submitted to Lebanese banking authorities, any and all notices of pending or threatened adverse regulatory action and any and all notices of pending or threatened action relating to or in connection with breach of fiduciary duty, fraud or violation of applicable securities laws. Books and Records may be redacted to remove references to personal data of individual customer information, personally identifiable financial information, and unique personal identifiers such as identity or account numbers.

(3) Based on the opinions of counsels in the foreign jurisdictions where Mr. Sehnaoui is a citizen, and where Mr. Sehnaoui resides, Mr. Sehnaoui understands and represents that there are no statutory or regulatory requirements of, or judicial interpretations in, these jurisdictions that would preclude or limit examination in such jurisdictions, or use in the United States, of the Books and Records of Mr. Sehnaoui by the OCC and its staff. In addition, based on these opinions of counsels, Mr. Sehnaoui understands and represents that there are no statutory or regulatory requirements of, or judicial interpretations in, these

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<sup>1</sup> The documents referenced in these conditions shall be provided to the OCC by Mr. Sehnaoui, translated into English and U.S. dollars by a certified translator, and with a certification that such translation is fair and accurate.

jurisdictions that otherwise would limit the ability of Mr. Sehnaoui to comply fully with commitment or representation Nos. 1 and 2 above, except to the extent that waivers of confidentiality by Mr. Sehnaoui would be necessary to permit such examination or use of Mr. Sehnaoui's Books and Records, which waivers person hereby grants and agrees to grant on a continuing basis. Mr. Sehnaoui understands and represents that there are no statutory or regulatory requirements of any jurisdiction that preclude, limit, or make ineffective in whole or in part any waiver of confidentiality as described in this commitment or representation.

(4) Mr. Sehnaoui consents and submits to the personal jurisdictions of any U.S. federal court of competent jurisdiction and of any Federal Banking Authority for purposes of any investigation or possible investigation, action, subpoena, examination, or proceeding by any Federal Banking Authority, the U.S. Department of Justice, or the U.S. Department of the Treasury, relating to the administration or enforcement of any U.S. Law or pursuant to any U.S. Law, including, in particular, section 8 of the Federal Deposit Insurance Act. For purposes of this commitment or representation, Mr. Sehnaoui shall at all times maintain in the United States a designated agent, acceptable to the OCC, to accept service on Mr. Sehnaoui's behalf, including service of any process, notice, order, or subpoena. Mr. Sehnaoui, as of this date, designates Ashcroft Law Firm, LLC, located at 13321 North Outer Forty Road, Suite 300, Saint Louis, Missouri, 63017 as agent to accept such service. Mr. Sehnaoui will not change this designation without notice to, and consent of, the OCC or its staff.

(5) Mr. Sehnaoui shall submit the following documents to the OCC prior to the time of Mr. Sehnaoui's acquisition, directly or indirectly, of control of the bank, as determined under 12 CFR 5.50:

a) A notarized and authenticated or certified document, designating the agent(s) to accept service on behalf of Mr. Sehnaoui;

b) Properly executed written documentation to affect a full waiver of confidentiality under the law of the relevant jurisdictions, as provided in commitment or representation No. 3 above.

(6) Mr. Sehnaoui shall submit to the OCC, within 30 calendar days of his acquisition, directly or indirectly, of control of the bank, as determined under 12 CFR 5.50, an opinion of independent counsel in the relevant jurisdictions that find: (i) that each of the commitments or representations is enforceable under the laws of the relevant jurisdictions, and (ii) that there are no statutory or regulatory requirements of, or judicial interpretations in, the relevant jurisdictions that would limit the ability of me to comply fully with commitments or representations Nos. 1 and 2 above, subject to the need for a waiver of confidentiality as provided in commitment or representation No. 3 above, or that would preclude, limit, or make ineffective in whole or in part any such waiver of confidentiality that is granted.

(7) No later than the time of consummation of the transaction, Mr. Sehnaoui will provide to bank a list of his "related interests" (as defined in section 215.2 of Regulation O, 12

CFR 215.2) and a list of bank's affiliates (as defined in 12 USC 371c(b)(1)) to be maintained by bank. Mr. Sehnaoui will update these lists annually or more frequently as changes occur in "related interests" or affiliates. Mr. Sehnaoui and each company that from time to time is controlled directly or indirectly by Mr. Sehnaoui, acting alone or in concert with one or more other persons, will be deemed to be "insiders" of bank in all dealings with bank for purposes of Regulation O (12 CFR 215).

(8) Mr. Sehnaoui commits or represents that dealings between bank and any company that is an "affiliate" of bank, which may include certain companies in which Mr. Sehnaoui holds an interest, will be subject to the restrictions in 12 USC 371c and 371c-1 as implemented by Regulation W. For purposes of this commitment or representation, an extension of credit also includes a deposit by bank with an affiliate.

(9) Mr. Sehnaoui commits or represents that he will notify the OCC if bank engages in the following types of affiliate transactions:

(a) transactions that will materially affect bank's capital, and;

(b) transactions that will materially affect the affiliate's financial position.

(10) Mr. Sehnaoui will notify the OCC of any loan or deposit made by bank to an affiliate that has deposited or loaned funds to bank, provided the funding for the loan or deposit by bank is directly or indirectly linked to the affiliate's funds on loan or deposit with bank.

(11) Mr. Sehnaoui will notify the OCC of any increase in permanent capital when the capital funds invested were received from any person who has obtained a loan or a deposit from bank or any affiliate, provided the funds for the increase in capital are directly or indirectly linked to the funds from the loan or deposit from bank.

(12) Mr. Sehnaoui will notify the OCC of any loan received from any person who has obtained a loan or a deposit from bank, provided the funding for the loan is directly or indirectly linked to the funds from the loan or deposit from bank.

(13) Mr. Sehnaoui shall take all necessary steps to not cause, participate in, or allow the bank to engage in, the international transfer, remittance, or payment of customer or bank funds except in compliance with safe and sound internal control procedures and operational safeguards. Each such transfer, remittance or payment shall include written documentation of all relevant information consistent with formally adopted policy and procedures of the bank and in compliance with all laws, regulations, orders, and directives applicable to bank and its officers, directors, and affiliates.

(14) None of the capital stock or debt of the bank will be transferred or pledged to any third party without the prior approval of the OCC.

(15) Mr. Sehnaoui commits to using his best efforts to ensure that the bank complies with the conditions imposed in the citizenship waiver for as long as he remains in control of the bank and independent of whether he holds a seat on the bank's board.

(16) Mr. Sehnaoui represents that the funds being used to purchase Bank are not derived directly or indirectly from the foreign bank or its affiliates except to the extent that these funds are derived from usual profits and dividends from foreign bank or its affiliates obtained over the years.”

These conditions of this nondisapproval 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.

The transaction must be consummated within six months of the date of this letter. Failure to consummate within six months or an approved extended time period granted by the OCC will cause our decision to lapse and require the filing of a new notice by the acquiring party if the acquirer wishes to proceed with the change in bank control.

The date of consummation of this change in control must be provided to the Western District Licensing office within 10 days after consummation. The transaction must be consummated as proposed in the Notice. If any of the terms, conditions, or parties to the transaction described in the Notice change, the OCC must be informed in writing prior to consummation to determine if any additional action or reconsideration is required. In such situations, the OCC reserves the right to require submission of an amended or new Notice of Change in Bank Control.

This decision 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 decision 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 decision 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.

You should include the OCC Control Number on any correspondence related to this filing. If you have any questions, contact me at (720) 475-7650 or email [louis.gittleman@occc.treas.gov](mailto:louis.gittleman@occc.treas.gov).

Sincerely,

*signed*

Louis T. Gittleman

Director for District Licensing