

To friends of the [Mutual Private Bank project](#):

This is the fourth monthly project update to friends of the [Mutual Private Bank project](#). If you were not on the mailing list for previous monthly reports, you can view past reports, as well as see project background and additional material on the [project website](#).

In this report:

- Outcome of Pre-filing meeting with Office of Thrift Supervision held on August 3
- Preparing application for submission by September 30
- Raising capital
- Addition to the team
- Next Steps

Pre-Filing meeting with Office of Thrift Supervision held on August 3

On Monday, August 3, I was joined by five project associates (George Bollenbacher, Gayllis Ward, Aileen Doherty, Jon Bosco, and Rob Danzig) in a Pre-Filing meeting with the Office of Thrift Supervision (OTS) Northeast Region at the agency's office in Jersey City. The Pre-Filing meeting is a pre-requisite to proceeding with a formal application to start the Mutual Private Bank. The OTS was represented by three officials from the Northeast region, as well as three officials from the Washington, D.C., Headquarters attending by phone. We introduced our team, presented our business plan, and discussed our plans for raising capital. The OTS made comments on our plan and gave guidance on specific issues and risks that will need to be addressed. The OTS made themselves available to answer questions as we finalize our plans, and they offered to review the plan again before we submit our application. We are extremely pleased with the outcome of the meeting, and are particularly grateful to the OTS for their candid feedback and collaborative spirit.

The business plan document that was presented will not be available on the project website. You may obtain a copy by contacting me.

Preparing application for submission by September 30

We are now focused on preparing our application. The application package includes the business plan, details about the organizers for the purposes of conducting background checks, an application form that provides details about the proposed entity, and a Permission to Organize (PTO) agreement that commits the organizers to abide by the OTS rules and procedures in the chartering process. Thus far, I have six signatories and am in discussion with several others who will likely be signatories. At this stage, each signatory is a potential officer or director of the bank, and possibly a capital contributor.

Raising capital

Before we submit the application, we will need tentative commitments of capital from at least two parties. In total, before the bank opens, we seek at least \$15 million in capital and \$5 million in loans for start-up funding, and expect this to come from five or more individuals or families. Each party is expected to make a minimum commitment of \$3

million in capital and \$1 million in a start-up loan. We are currently in discussions with several parties from whom we seek a Letter of Intent. These parties include a Houston family group, as well as two families in New York.

Addition to the project team

I am pleased to announce that Nancy Kuenstner, formerly President and CEO of Law Debenture Trust Company of New York, is advising the project. Her prior experience includes the start of a de novo corporate trust bank under a New York State charter, and more than eight years as CEO of the bank. She has been extremely helpful in advising us on the business plan as well as guiding us in our effort to raise capital.

Next Steps

Our immediate next steps are to:

- Complete the business plan;
- Obtain Letters of Intent from charter members;
- Prepare the Permission to Organize and application package.

If you would like to see the business plan and discuss your interest in participating in the project, please contact me. I would be happy to meet you when and where it is convenient for you.

Best regards,

Stephen J. Tall
Project Leader

Please feel free to forward this report to others whom you think would be interested in learning more about this project.

--

SJT
(973) 525-3180
www.Linkedin.com/in/stephentall

See Mutual Private Bank project website:
www.mutualprivatebank.com

Read about Mutual Private Bank project in CNBC European Business magazine:
<http://cnbceb.com/banking-managed-funds-and-investments/bank-balancers/968/>

Review Mutual Private Bank proposed services; vote and comment, add your ideas:
www.mpb.slinkset.com