

FEDERAL DEPOSIT INSURANCE CORPORATION

In Re: Bank of Fort Bend (Proposed)
Sugar Land, Fort Bend County, Texas
Application for Federal Deposit Insurance

The undersigned, acting on behalf of the Board of Directors pursuant to delegated authority, has fully considered all available facts and information relevant to the factors of Section 6 of the Federal Deposit Insurance Act relating to the application for Federal Deposit Insurance for Bank of Fort Bend, a proposed new bank to be located at 12946 Dairy Ashford Road, Sugar Land, Fort Bend County, Texas, and has concluded that the application should be approved.

Accordingly, it is hereby ORDERED, that the application submitted by Bank of Fort Bend for Federal Deposit Insurance be and the same hereby is approved subject to the following conditions:

- (1) That beginning paid-in capital funds of not less than \$8,000,000 be provided;
- (2) That a Tier 1 capital to total assets ratio of not less than 8% be maintained for the first three years after deposit insurance is effective;
- (3) That any changes in proposed management or proposed ownership (10% or more of stock) of the bank, including new acquisitions of or subscriptions to 10% or more of the bank's stock, will render this commitment null and void unless such proposal is approved by the FDIC prior to opening of the bank;
- (4) That any changes in proposed management or proposed ownership (10% or more of stock) of the holding company, including new acquisitions of or subscriptions to 10% or more of the holding company's stock, will render this commitment null and void unless such proposal is approved by the FDIC prior to opening of the bank;
- (5) That the bank must operate within the parameters of its three year business plan;
- (6) That an accrual accounting system be adopted for maintaining the bank's books;
- (7) That adequate blanket bond coverage be obtained;
- (8) That the bank have an audit of its financial statements conducted by a public accountant annually for the first three years after deposit insurance is effective;
- (9) That Federal deposit insurance shall not become effective unless and until the applicant has been established as a federally chartered savings bank, that it has authority to conduct a banking business, and that its establishment and operation as a bank have been fully approved by the Office of Thrift Supervision;

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STATEMENT

Pursuant to the provisions of Section 5 of the Federal Deposit Insurance Act (12 U.S.C. § 1815), an application for Federal deposit insurance has been filed for the Bank of Fort Bend (the Bank), a proposed new federally chartered savings bank to be located at 12946 Dairy Ashford Road, Sugar Land, Fort Bend County, Texas.

The Bank will be a majority-owned subsidiary of Capitol Bancorp Limited, Lansing, Michigan, a publicly traded company. Capitol Bancorp is a multi-bank holding company and operates 57 banks in 15 states. Capitol Bancorp had 2006 revenues of over \$280 million.

The Bank will provide conventional banking services to Fort Bend County with an emphasis on commercial and commercial real estate lending. Loan products will be tailored to the needs of small- to medium-sized businesses. Deposit products will consist of a traditional mix of savings, checking, money market, certificates of deposit, and retirement accounts.

For the purposes of this proposal, initial capitalization is adequate, future earnings prospects are favorable, management is considered satisfactory, and the investment in fixed assets is reasonable. Corporate powers to be exercised are consistent with the purpose of the Federal Deposit Insurance Act. No formal objections to this application have been filed with the FDIC and no undue risk to the Deposit Insurance Fund is apparent.

Accordingly, based upon careful evaluation of all available facts and information, the Regional Director, acting under delegated authority, has concluded that approval of the application is warranted, subject to the conditions enumerated in the Order.

**REGIONAL DIRECTOR, CHICAGO
DIVISION OF SUPERVISION AND CONSUMER PROTECTION
FEDERAL DEPOSIT INSURANCE CORPORATION**