

FEDERAL DEPOSIT INSURANCE CORPORATION

Re: Gulf Coast Business Bank
(In Organization)
Fort Myers, Lee County, Florida

Application for Federal Deposit Insurance

ORDER

The undersigned, acting on behalf of the Board of Directors of the Federal Deposit Insurance Corporation ("FDIC"), 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, as they relate to the application for Federal deposit insurance with membership in the Deposit Insurance Fund for Gulf Coast Business Bank ("Bank"), a proposed new state nonmember bank to be located at 12205 Metro Parkway, Fort Myers, Lee County, Florida 33966, and has concluded that the application should be approved.

Accordingly, it is hereby ORDERED, for the reasons set forth in the attached Statement, that the application submitted by the Bank for Federal deposit insurance be, and the same hereby is, approved, subject to the following conditions:

1. That initial paid-in capital funds of not less than \$19,164,000, net of pre-opening expenses, will be provided.
2. That the Bank's Tier 1 capital-to-assets leverage ratio (as defined in the appropriate capital regulation and guidance of the institution's primary federal regulator) will be maintained at not less than eight percent (8.00%) throughout the first three years of operation, and that an adequate allowance for loan and lease losses ("ALLL") will be provided from the date insurance is effective.
3. Any changes in the Bank's proposed management or the proposed ownership of ten percent (10.00%) or more of the Bank's stock, including new acquisitions of or subscriptions for ten percent (10.00%) or more of stock, shall be approved by the FDIC prior to the Bank's opening.
4. That the Bank will adopt an accrual accounting system for maintaining the financial records of the Bank in accordance with U.S. Generally Accepted Accounting Principles.
5. That deposit insurance will not become effective until the applicant has been granted a charter as a depository institution, has authority to conduct such business, and its establishment and operation have been fully approved by the FDIC and the Florida Office of Financial Regulation.

6. Where applicable, full disclosure has been made to all proposed directors and stockholders of the facts concerning the interest of any insider in any transactions being effected or then contemplated, including the identity of the parties to the transaction and the terms and costs involved. An insider is one who is or is proposed to be a director, officer, or incorporator of an applicant; a shareholder who directly or indirectly controls 10 percent or more of any class of the applicant's outstanding voting stock; or the associates or interests of any such person.
7. Prior to opening, the person selected to serve as the Information Technology Security Officer shall be acceptable to the FDIC's Atlanta Regional Director.
8. Prior to opening, the bank will appoint a director with executive bank experience that shall be acceptable to the FDIC's Atlanta Regional Director.
9. The applicant will have adequate fidelity coverage.
10. The institution will obtain an audit of its financial statements by an independent public accountant annually for at least the first three years after deposit insurance is effective and submit to the FDIC's Atlanta Regional Office (i) a copy of the audited annual financial statements and the independent public auditor's report thereon within 90 days after the end of the institution's fiscal year, (ii) a copy of any other reports by the independent auditor (including any management letters) within 15 days after their receipt by the institution, and (iii) written notification within 15 days when a change in the institution's independent auditor occurs.
11. The Bank must operate within the parameters of the business plan submitted to the FDIC. During the first three years of operation, the Bank shall seek the prior approval of the FDIC's Atlanta Regional Director for any proposed major deviation or material change from the submitted business plan.
12. During the first three years of operation, the institution must notify the FDIC's Atlanta Regional Director of any plans to establish a loan production office at least 60 days prior to opening the facility.
13. That, during the Bank's first three years of operation the Bank will obtain the prior written non-objection of FDIC's Atlanta Regional Director for the addition of any individual to the board of directors or the employment of any individual as a senior executive officer of the Bank.
14. That, prior to opening, the Bank shall provide to the FDIC Atlanta Regional Director, the final employment agreements, Stock Warrant Plan, compensation arrangements (including bonus plans) for the Bank's senior executive officers; obtain the prior written non-objection of the FDIC Atlanta Regional Director for those agreements and compensation arrangements prior to execution if they were not previously reviewed by the FDIC as part of the application for Federal deposit insurance.

15. That, the approval granted in this Order will expire if Federal deposit insurance has not become effective within one year from the date of this Order, unless a written request for an extension of time has been approved by the FDIC.
16. Until the FDIC's conditional commitment becomes effective, the FDIC retains the right to alter, suspend, or withdraw its commitment if warranted.

By Order of the Regional Director of the Atlanta Regional Office, acting pursuant to delegated authority for the Board of Directors of the FDIC.

Dated in Atlanta, Georgia, this 5th day of November, 2021.

/ S /
John P. Henrie
Regional Director

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STATEMENT

Pursuant to the provisions of Section 5 of the Federal Deposit Insurance Act ("FDI Act") (12 U.S.C. § 1815), the Federal Deposit Insurance Corporation ("FDIC") received an Interagency Charter and Federal Deposit Insurance Application on behalf of Gulf Coast Business Bank, a proposed new state nonmember bank that will be located in Fort Myers, Lee County, Florida ("Bank"). The organizers concurrently applied to the Florida Office of Financial Regulation ("State") for a state bank charter which is being reviewed by the State.

Notice of the Federal deposit insurance application, in a form approved by the FDIC, was published pursuant to the FDI Act on August 18, 2021.

The organizers have not established a bank holding company. The opening capital of the Bank will be realized from a private offering of no less than 20,500,000 shares of common stock at a price of \$10 per share. The Bank's business plan is for a state nonmember bank that primarily serves small- and medium-sized businesses located in Lee and Collier Counties, Florida. The Bank will offer traditional products and services and will be overseen by an experienced management team, including a diversified and knowledgeable Board of Directors who is committed to serving the Bank's local community.

The Bank will operate with sufficient capital and managerial resources to accomplish the strategies and goals in the business plan. The Bank will be capitalized with an amount sufficient to achieve and maintain a Tier 1 capital to assets leverage ratio, as defined in the capital regulations of the FDIC, of not less than eight percent (8.00%) throughout the Bank's first three years of operation. Projected growth and earnings appear attainable. The Bank's plans appear to satisfy the convenience and needs of the community. Corporate powers to be exercised are consistent with the purposes of the FDI Act, and no undue risk to the Deposit Insurance Fund is evident.

Accordingly, based upon a careful evaluation of all available facts and information, and in consideration of the factors of Section 6 of the FDI Act, the Atlanta Regional Director, pursuant to delegated authority, has concluded that approval of the application is warranted, subject to certain prudential conditions.

**REGIONAL DIRECTOR
DIVISION OF RISK MANAGEMENT SUPERVISION
FEDERAL DEPOSIT INSURANCE CORPORATION**