

FEDERAL DEPOSIT INSURANCE CORPORATION

RE: Savoy Bank
(In Organization)
New York, New York

Application for Federal Deposit Insurance

ORDER

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 and relating to the application for Federal deposit insurance with membership in the Bank Insurance Fund for Savoy Bank to be located at 1675 Broadway, New York, New York County, New York, and has concluded that the application should be approved.

Accordingly, it is hereby ORDERED that the application submitted by Savoy Bank 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 \$16,000,000 be provided;
- 2) That a ratio of Tier 1 capital to total assets (as defined in the Federal Deposit Insurance Corporation's capital regulations) of at least 8% and an adequate allowance for loan and lease losses be maintained during the first three years of operation from the date insurance is effective;
- 3) That the bank obtain an annual audit of its financial statements by an independent auditor for at least the first three years after deposit insurance coverage is effective, furnish a copy of any reports by the independent auditor (including management letters) to the New York Regional Director of the FDIC within 90 days after the end of the bank's fiscal year, and notify the Regional Director within 15 days when a change in its independent auditor occurs;
- 4) That the bank shall operate within the parameters of the business plan submitted to the FDIC. Furthermore, during the first three years of operations, the bank shall notify the Regional Director of any proposed major deviation or material change from the submitted plan 60 days before consummation of the change;
- 5) That prior to the effective date of deposit insurance, adequate fidelity coverage be obtained;
- 6) That any changes in the proposed management or proposed ownership to the extent of 10% or more of stock, including new acquisitions of or subscriptions to 10% or more of stock shall be approved by the FDIC prior to the opening of the bank;

- 7) That the bank will adopt an accrual accounting system for maintaining the books of the bank;
- 8) That until the conditional commitment of the FDIC becomes effective, the Corporation shall have the right to alter, suspend, or withdraw the said commitment should any interim development be deemed to warrant such action;
- 9) That the bank receive approval from the New York State Banking Department, the chartering agency, prior to opening; and
- 10) That if deposit insurance has not become effective within one year from the date of this ORDER or unless, in the meantime, a request for an extension of time has been approved by the Corporation, the consent granted shall expire on said date.

Dated at New York, New York, this 22th day of June, 2007.

/s/

James C. Watkins
Deputy Regional Director