ORDER

The undersigned, acting on behalf of the Board of Directors of the Federal Deposit Insurance Corporation 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 through the Deposit Insurance Fund for The Bank of Austin, a proposed new State-chartered nonmember bank to be located at 8611 North Mopac Expressway, Suite 100, Austin, Travis County, Texas, with a temporary main office at 8701 North Mopac Expressway, Austin, Travis County, Texas, and has concluded that the application should be approved.

Accordingly, it is hereby ORDERED that the application submitted by The Bank of Austin, Austin, Texas, for Federal deposit insurance be, and the same is hereby approved, subject to the following conditions:

1. That beginning paid-in capital funds of not less than $31,364,000 be provided.

2. That the Tier 1 capital to assets leverage ratio will be maintained at not less than eight percent throughout the first three years of operation and that an adequate allowance for loan and lease losses will be provided.

3. That any changes in proposed senior executive officers, proposed Directors, or proposed ownership to the extent of 10 percent or more of stock, including new acquisitions of or subscriptions to 10 percent or more of stock will be approved by the FDIC prior to the opening.

4. That Federal deposit insurance will not become effective until the applicant has been granted a charter as a depository institution, has authority to conduct a depository institution business, and its establishment and operation as a depository institution has been fully approved by the appropriate State and/or Federal supervisory authority.

5. That a registered or proposed bank holding company has obtained approval of the Board of Governors of the Federal Reserve System to acquire voting stock control of the proposed depository institution prior to its opening for business.
6. That full disclosure be 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 or more percent of any class of the applicant's outstanding voting stock; or the associates or interests of any such person.

7. That the depository institution will have adequate fidelity coverage.

8. That the depository 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 appropriate FDIC 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 depository 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 depository institution, and (iii) written notification within 15 days when a change in the depository institution's independent auditor occurs.

9. That the depository institution will develop and implement a Community Reinvestment Act plan appropriate for its business strategy, if not previously submitted.

10. That the depository institution will notify the appropriate FDIC Regional Director of any plans to establish a loan production office at least 60 days prior to opening the facility.

11. That the depository institution will operate within the parameters of the business plan submitted to the FDIC. During the first three years of operations, the institution will seek the prior approval of the FDIC Regional Director and its primary Federal regulator, if not the FDIC, for any proposed major deviation or material change from the submitted business plan.

12. That the depository institution will adopt an accrual accounting system for maintaining the books of the depository institution.

13. That until the depository institution is established, the FDIC will have the right to alter, suspend, or withdraw the said commitment should any interim development be deemed to warrant such action.

14. That if deposit insurance has not become effective within twelve months from the date of this ORDER, or unless, in the meantime, a request for an extension of time has been approved by the FDIC, the consent granted shall expire at the end of the said twelve-month period.
Dated this 30th day of May, 2017

FEDERAL DEPOSIT INSURANCE CORPORATION

By: /s/ ________
   Kristie K. Elmquist
   Regional Director