

August 2, 2024

**Conditional Approval #1327
September 2024**

Sent via email: Abdul.mitha@bkfn.com

Abdul R. Mitha
Attorney
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200 West Madison Street
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Subject: Change in Asset Composition
Midland FS&LA, Bridgeview, Illinois Charter Number 704475
OCC Control Number 2023-5.53-335072

Dear Mr. Mitha:

The Office of the Comptroller of the Currency (OCC) hereby conditionally approves the application of Midland FS&LA, Bridgeview, Illinois (Bank) to effect a substantial asset change in connection with the proposed acquisition of Bank's holding company by Midfed Acquisition Corp., a Delaware corporation ("Acquirer") by which Bank will become an indirect subsidiary of Acquirer (Resulting Bank). This conditional approval is granted after a thorough review of all information available, including the representations and commitments made in the application and by Bank's representatives.

Bank applied to the OCC for prior approval of a substantial change in its asset composition under 12 CFR 5.53. In the proposed transaction, Bank will ultimately be an indirect subsidiary of Acquirer. The Acquirer plans to raise \$20 million in capital through an initial offering to close the acquisition. The Acquirer will invest \$2.7 million into the holding company following consummation of the transaction. The Bank's asset size and the expansion of products and services to be offered in connection with the proposed acquisition requires the Bank to submit an application and obtain OCC prior approval under 12 CFR 5.53.

In deciding a change in asset composition application, the OCC considers the capital level of the resulting institution; the conformity of the transaction to applicable law, regulation and supervisory policies; the purpose of the transaction, its impact on the safety and soundness of the bank; and any effect on the bank's shareholders or customers. 12 CFR 5.53(d)(3). The OCC also

considered additional factors under 12 CFR 5.20(f). The OCC reviewed these factors and deemed conditional approval consistent with regulatory requirements.

This approval is subject to the following condition(s):

1. The Bank shall: (i) give the Chicago/Champaign Office at least sixty (60) days prior written notice of its intent to significantly deviate¹ or change from its business plan or operations,² and (ii) obtain the OCC's written determination of no objection before the Bank engages in any significant deviation or change from its business plan or operations. The OCC may impose additional conditions it deems appropriate in a written determination of no objection to a bank's notice. This condition shall remain in effect for three years after all steps of the transaction are consummated.

The condition of this approval is a condition "imposed in writing by a Federal banking agency in connection with any action on any application, notice, or other request" within the meaning of 12 USC 1818. As such, the condition is enforceable under 12 USC 1818.

If all steps of the transaction are not consummated within six (6) months, this approval shall automatically terminate, unless the OCC grants an extension of the time period. Within 10 days of consummating the final step in this transaction, the bank must advise the Midwest Region Supervisory Office of the effective date of consummation, so the OCC may complete its records. If any of the terms, conditions, or parties to the transaction described in the application change, the OCC must be informed in writing prior to consummation to determine if any additional action or reconsideration is required. In such situations, the OCC reserves the right to require submission of an amended or new Substantial Asset Change application.

This approval and the activities and communications by OCC employees in connection with the filing do not constitute a contract, express or implied, or any other obligation binding upon the OCC, the United States, any agency or entity of the United States, or any officer or employee of the United States, and do not affect the ability of the OCC to exercise its supervisory, regulatory and examination authorities under applicable law and regulations. Our approval is based on the bank's representations, submissions, and information available to the OCC as of this date. The OCC may modify, suspend, or rescind this approval if a material change in the information on which the OCC relied occurs prior to the date of the transaction to which this decision pertains. The foregoing may not be waived or modified by any employee or agent of the OCC or the United States.

¹ "Significantly Deviate" shall be construed in light of the guidance provided in Appendix E (Significant Deviations After Opening) of the "Charters" booklet of the *Comptroller's Licensing Manual*.

² If such deviation is the subject of an application filed with the OCC, no separate notice to the supervisory office is required.

Midland FS&LA, Bridgeview, Illinois
2023-5.5-335072

A separate letter is enclosed requesting your feedback on how we handled the referenced application. We would appreciate your response so we may improve our service. Please include the OCC control number on any correspondence related to this filing. If you have any questions, contact Mark Ro at mark.ro@occ.treas.gov.

Sincerely,

/s/

John Hansen
Director for Licensing

enclosures: Survey Letter