

Corporate Decision #1369
April 2026

March 23, 2026

Dylan M. Handelsman, Counsel for Notification
Sullivan & Cromwell
125 Broad Street
New York, NY 1004-2498

Re: Change in Asset Composition and Director Waiver Requests
The First National Bank of Lacon, Lacon, Illinois Charter No. 347
OCC Control No. 2025-5.53-344045
OCC Control No. 2025-Waiver-344064 (Citizenship)
OCC Control No. 2025-Waiver-344065 (Residency)

Dear Mr. Handelsman:

The Office of the Comptroller of the Currency (OCC) hereby conditionally approves the application of The First National Bank of Lacon, Lacon, Illinois (Bank) to effect a substantial asset change by addition of business line. 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. Specifically, this conditional approval is granted, in part, based on Bank's representation that Bank's acquirer, Mr. Bhavin Turakhia, will contribute \$3 million to Bank's capital upon consummation of the acquisition.

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 add a BIN Sponsorship Program.

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 customers¹. When a substantial asset change involves an expansion of a bank's operations, the OCC's review includes, in addition to foregoing factors, the factors governing the organization of a bank or savings association under section 5.20². 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 Peoria Supervisory Office at least sixty (60) days prior written notice of its intent to significantly deviate or change from its business plan or operations,³ and (ii) obtain the OCC's written determination of no objection before the

¹ 12 CFR 5.53(d)(3)

² 12 CFR 5.53(d)(3)(ii)

³ If such deviation is the subject of an application filed with the OCC, no separate notice to the SO is required.

Bank engages in any significant deviation or change from its business plan or operations. For the avoidance of doubt, a significant deviation includes changes to the Bank's risk and operating limits, as detailed in its business plan. The OCC may impose additional conditions it deems appropriate in a written determination of no objection to the Bank's notice. This condition shall remain in effect during the three years following the approval of this application;

2. Prior to the appointment of any individual to the position of "senior executive officer," as defined in 12 CFR 5.51(c)(4), or the appointment of any individual to the board of directors, the Bank must submit to the OCC the information described in the "Changes in Directors and Senior Executive Officers" booklet of the *Comptroller's Licensing Manual*, and receive a letter of no objection from the OCC. For the purposes of this condition, "senior executive officer" includes the Chief Risk Officer. This information is required by the authority of 12 USC 1818(b) and 12 CFR 5.20(g) and does not require the OCC to review or act on any such information within ninety (90) days. This condition shall remain in during the two years following approval of this application.

The conditions of this approval are conditions "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(s) is/are enforceable under 12 USC 1818.

This letter also responds to your request to waive the residency and citizenship requirements under 12 USC 72 for Mr. Turakhia and the residency requirements for two independent directors. Your request is based upon the Bank's necessity for selecting directors with experience in the business plan who might not meet the geographic residency or citizenship requirements.

The OCC hereby grants a waiver of the residency requirements of 12 USC 72 for the non-resident directors listed in your request of the Bank. We understand that after their election, the bank will have two (2) directors who have resided within the state where the bank is located or within 100 miles of the bank's main office for at least one year immediately preceding their election, and three (3) who have not. The bank may continue to appoint directors who do not meet the residency requirements without applying for individual waivers, as long as the ratio of directors remains the same as in this approval.

This waiver is granted upon a review of all available information, including the filing, subsequent correspondence, and the bank's representations that this waiver will enable the bank to better meet the goals of its business plan without affecting the safety and soundness of the bank.

The OCC hereby grants a waiver of the citizenship requirement of 12 USC 72 for Mr. Bhavin Turakhia. This waiver is based upon a thorough review of all the information available, including the representations and commitments made in the application by you and your representatives, subsequent correspondence, and telephone conversations.

The OCC reserves the right to withdraw this waiver at any time and, at our discretion, to request additional biographical and/or financial information on Bhavin Turakhia.

If all steps of the transaction are not consummated within six (6) months of the date of this letter, 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 undersigned 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.

The approval, waivers, 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. The foregoing may not be waived or modified by any employee or agent of the OCC or the United States.

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.

If you have any questions, contact Jason Wander by the phone number or email address previously provided.

Sincerely,

//signed//

John J. Hansen
Director
Chartering, Organization and Structure