FEDERAL DEPOSIT INSURANCE CORPORATION

Re: First Republic Bank
San Francisco, California

Application for Federal Deposit Insurance

STATEMENT

Pursuant to the provisions of Section 5 of the Federal Deposit Insurance Act (12 U.S.C. §1815), an application for Federal deposit insurance has been filed for First Republic Bank (the Bank), a proposed new state-chartered bank, to be located in San Francisco, California. In addition, the applicants have filed an application with FDIC under section 18(c) (12 U.S.C. § 1828(c)) of the Federal Deposit Insurance Act to acquire certain assets and liabilities of the First Republic Bank division of Bank of America, National Association. The Bank will be owned by an unrelated group of private investors and there will be no holding company.

The Bank will continue to focus on real estate lending, private banking and business banking as well as wealth management, trust and brokerage services through 61 preferred banking offices in 10 major metropolitan areas. The operating business plan contemplates no new loan or investment programs, no new geographic markets and no meaningful changes in the style or focus of the Bank's operations.

For the purposes of this proposal, capital is adequate, projections for future earnings prospects are favorable, management is considered satisfactory, and the investment in fixed assets is reasonable. Corporate powers to be exercised are consistent with the purpose of the Federal Deposit Insurance Act. No formal objections to this proposal have been filed, and no undue risk to the insurance fund is apparent.

Accordingly, based upon careful evaluation of all available facts and information, the Regional Director, acting under delegated authority, has concluded that approval of the application is warranted, subject to certain prudential conditions.

REGIONAL DIRECTOR
DIVISION OF SUPERVISON AND CONSUMER PROTECTION
FEDERAL DEPOSIT INSURANCE CORPORATION

FEDERAL DEPOSIT INSURANCE CORPORATION

Re: First Republic Bank
San Francisco, California

Application for Federal Deposit Insurance

ORDER

The undersigned, acting on behalf of the Board of Directors pursuant to delegated authority, has satisfactorily resolved the factors enumerated in section 6 of the Federal Deposit Insurance Act, as they relate to the application for Federal deposit insurance for First Republic Bank, a proposed new state-chartered bank to be headquartered at 111 Pine Street, San Francisco, California, 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 First Republic Bank for Federal deposit insurance be approved, subject to the following conditions:

1. Beginning paid-in capital funds shall not be less than $1,850,000,000.

2. The institution's Tier 1 capital to assets leverage ratio (as defined in the appropriate capital regulation and guidance from the institution's primary federal regulator) shall be maintained at not less than eight percent (8%) throughout the first seven (7) years of operation and that an adequate allowance for loan and lease losses will be provided.

3. Any changes in proposed management or the proposed ownership 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 opening.

4. During the first seven (7) years of operation, any proposed additions to executive management or the Board of Directors shall be submitted to the Regional Director for non-objection. Such notice shall be submitted at least 30 days prior to the proposed employment or election to the Board. In addition, any material change in the duties or responsibilities of executive officers or directors shall receive the prior non-objection of the FDIC during the first seven (7) years of operation.

5. An accrual accounting system shall be adopted for maintaining the financial records of the institution.

6. Federal deposit insurance shall not become effective until the applicant is authorized to operate as a State chartered bank by the appropriate State authority.

7. The applicant has submitted any proposed contracts, leases, or agreement relating to construction or rental of permanent quarters to the appropriate regional director for review and comment.

8. The institution shall obtain the prior written non-objection of the Regional Director before executing final employment agreements and compensation arrangements (including bonus plans) for the institution's senior executive officers, and shall provide a

copy of each executed agreement to the Regional Director. The submission shall include a compensation study or similar documentation to support the reasonableness of the proposed compensation.

9. 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 or more percent (10%) of any class of the applicant's outstanding voting stock; or the associates or interests of any such person.

10. Prior to the effective date of Federal deposit insurance, the institution shall obtain surety bond coverage in a sufficient amount to conform to generally accepted banking practices.

11. The institution shall obtain an audit of its financial statements by an independent public accountant annually for at least the first seven (7) years after deposit insurance is effective and shall submit to the appropriate FDIC regional director, (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 institution, and (iii) written notification within 15 days when a change in the institution's independent auditor occurs.

12. The institution shall develop and implement a Community Reinvestment Act ("CRA") plan appropriate for its business strategy.

13. The institution shall notify the Regional Director of any plans to establish a loan production office 60 days before opening the facility.

14. The institution shall operate within the parameters of the business plan submitted as part of the institution's application for deposit insurance. During the first seven (7) years of operations, the institution shall obtain prior approval from the Regional Director for any proposed major deviation or material change from the submitted plan before consummation of the change.

15. Within 60 days before the end of the third year of operation, the institution shall submit to the appropriate Regional Director pro forma financial statements and a business plan for operating years four through seven.

16. If the institution does not commence operations within six months from the date of this ORDER, the consent granted herein shall expire, unless the Corporation approves a request for an extension of the deadline prior to the expiration. In the interim, the Corporation shall have the right to alter, suspend, or withdraw this approval should any development warrant such action.

Dated at San Francisco, California this 28th day of May, 2010.

/S/

Stan Ivie
Regional Director