



September 17, 2019

**Conditional Approval #1231
October 2019**

Board of Directors
First Citizens Bank of Polson, NA
213 First Street West
Polson, MT 59860

Subject: Applications for Increases in Permanent Capital
OCC Control No. 2019-HQ-Capital&Div-310692
OCC Control No. 2019-HQ-Capital&Div-310694
Charter No. 24670

Dear Members of the Board:

The Office of the Comptroller of the Currency (OCC) conditionally approves applications by First Citizens Bank of Polson, NA, Polson, Montana (the Bank) for increases in permanent capital totaling \$437,167 for 2018 and \$263,924 through June 30, 2019 as described in your applications dated August 30, 2019.¹ The applications indicate that the increases in permanent capital occurred through material noncash contributions to surplus capital.

This approval is subject to the following conditions:

1. The Bank shall strictly adhere to the requirements of the revised November 2017 Strategic and Capital Plans (collectively, Plans) submitted January 8, 2018, for which the Bank's board of directors received a written conditional non-objection from the OCC's Special Supervision Division on March 7, 2018.
2. The Bank shall not make a material change to, or significantly deviate from, these Plans unless the Bank has first given the Special Supervision Division at least sixty (60) days prior written notice of its intent to do so, and obtained the OCC's prior written determination of no supervisory objection (NSO) to such action. The OCC may impose additional conditions it deems appropriate in a written determination of NSO to the Bank's request.

¹ 12 CFR 5.46(g)(1)(ii)(A) provides that a national bank must obtain a prior OCC approval to increase its permanent capital if the bank is required to receive such approval pursuant to letter, order, directive, written agreement, or otherwise. Pursuant to the OCC's November 20, 2017 letter to the Bank's board of directors, the OCC has required the Bank to file an application, and receive prior approval, for an increase in permanent capital.

First Citizens Bank of Polson, NA
Permanent Capital Increase Applications
OCC Control Numbers: 2019-HQ-Capital&Div-310692, 310694

These conditions are subject to 12 USC 1818 and will remain in effect after capital changes are completed. In addition, 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 conditions are enforceable under 12 USC 1818.

This conditional 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 conditional 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.

You are reminded to submit an application for future increases in permanent capital. If you have any questions, please contact Senior Licensing Analyst Stephanie N. Moss at (202) 649-6260 or stephanie.moss@occ.treas.gov. You should include the OCC Control Number on any correspondence related to this filings.

Sincerely,

signed

Stephen A. Lybarger
Deputy Comptroller for Licensing
Licensing Activities