

## OFFICE OF THRIFT SUPERVISION

### ORDER APPROVING APPLICATION TO FORM A SERVICE CORPORATION

ORDER NO.: 97-49

DATE: May 20, 1997

BankAtlantic, A FSB, Ft. Lauderdale, Florida, ("Association") has filed an application with the Office of Thrift Supervision ("OTS") under 12 C.F.R. Part 559 requesting approval for a newly created, wholly owned service corporation subsidiary, BankAtlantic Viatical Settlements Co. ("Service Corporation"), to engage in the business of viatical financing.

The OTS has considered the factors set forth in 12 C.F.R. Part 559, and has determined that the application complies with the standards and criteria therein, provided the conditions set forth below are satisfied. The OTS has considered the proposed activities of the Service Corporation, and has concluded that such activities are reasonably related to the activities of financial institutions. Accordingly, the OTS hereby approves the application, subject to the following conditions.

1. Prior to the commencement of any viatical settlements business, the following shall be submitted to the Regional Director or his designee ("Regional Director"):

(i) proof that the Service Corporation has obtained a license from the Florida Department of Insurance as required by the Florida Viatical Settlements Act;

(ii) a copy of the appropriate clearance received from the Federal Deposit Insurance Corporation; and

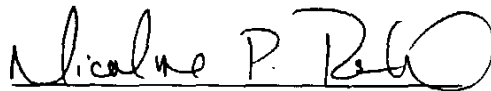
(iii) a resolution of the Association's board of directors in which the board undertakes to review and monitor quarterly the operations and results of the Service Corporation, and to immediately report to the Regional Director any adverse results or trends or any material deviation from the projections submitted with the application.

2. The Service Corporation shall be deemed a non-includable subsidiary for the purposes of 12 C.F.R. §§ 567.1(l) and 567.5(a)(2)(iv) and all investments by the Association, debt and equity, in the Service Corporation shall be excluded from the Association's regulatory capital until such time as the Office of the

Comptroller of the Currency determines in writing that the provision of viatical settlements is permissible for national banks.

3. Before the Service Corporation commences operation, the Association and the Service Corporation shall submit a plan, acceptable to the Southeast Regional Office, for adequately capitalizing the subsidiary as a separate unit in light of normal obligations reasonably foreseeable in a business of its size and character. In reviewing such a plan, consideration will be given to whether any proposed infusion of equity that the Association may place into the Service Corporation would be sufficient to enable the Service Corporation to qualify for credit from the Association as if it were applying for such credit from an independent lender.

By Order of the Director of the Office of Thrift Supervision, or his designee,  
effective May 20, 1997.



Nicolas P. Retsinas  
Director