



**Comptroller of the Currency
Administrator of National Banks**

Washington, DC 20219

December 1, 2009

**Conditional Approval #937
January 2010**

Walter R. Cook
Chairman and Chief Executive Officer
Republic Federal Bank, National Association
1001 Brickell Bay Drive, Suite 1900
Miami, Florida 33131

Re: Republic Federal Bank, National Association, Miami, Florida, Charter Number 16776
Prepayment of Subordinated Debt, # 2009-SO-12-0165

Dear Mr. Cook:

I approve the proposal of Republic Federal Bank, National Association (“Bank”), as presented in your request dated November 13, 2009, to amend our approval of September 21, 2009 regarding the prepayment of approximately \$1,790,000 in principal of the Floating Rate Subordinated Debentures due 2032 (the “Current Debentures”) more fully described in your letter of August 27, 2009. This letter supersedes our approval of September 21, 2009. The Bank is approved to prepay the Current Debentures subject to the following condition:

Any prepayment of the Current Debentures must be made from the proceeds of either (i) the Convertible Notes or (ii) excess funds received from the sale of Republic Federal Bancorp, Inc. common stock. Should the Bank choose to use the proceeds from the sale of Republic Federal Bancorp, Inc. common stock, the Bank may not prepay the Current Debentures until sufficient capital has been raised and down streamed to the Bank to satisfy the minimum capital requirements of the Formal Agreement. Any capital proceeds in excess of the amount needed to satisfy the minimum capital requirements may then be used to prepay the Current Debentures. No other Bank funds are to be used to prepay the Current Debentures.

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 U.S.C. § 1818. As such, the condition is enforceable under 12 U.S.C. § 1818.

The prepayment of subordinated debt should be completed within one year of the date of this letter.

Walter Cook
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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.

If you have any questions, please contact Brenda E. McNeese at (214) 720-7052.

Yours truly,

signed

Beverly L. Evans
Director for Licensing Activities