



Comptroller of the Currency
Administrator of National Banks

Washington, DC 20219

**Conditional Approval #851
June 2008**

April 16, 2008

Ms. Maureen Mougios
Vice President of Risk Management
The Bridgehampton National Bank
2200 Montauk Highway
Bridgehampton, New York 11932

Re: Application by The Bridgehampton National Bank (Bank), Montauk, New York, to establish a branch at 4-6 Gingerbread Lane at Race Lane, East Hampton, New York
Application Control Number: 2007-NE-05-0260

Dear Ms. Mougios:

I hereby grant conditional approval to your application to establish a branch at 4-6 Gingerbread Lane at Race Lane, East Hampton, New York to be known as East Hampton Village Branch. This approval is based on a thorough review of the application, other materials you have supplied, and all information in the record and available to the Comptroller of the Currency (OCC), including the representations and commitments made in the application and by the bank's representatives during the application process. Based on this review, I have determined that approval is consistent with the relevant statutory factors set forth in 12 U.S.C. §36(c), state branching law, Section 106 of the National Historic Preservation Act and the applicant's record of compliance with the Community Reinvestment Act. If the branch is not opened within 18 months from this conditional approval date, the approval automatically terminates unless the OCC grants an extension.

This letter also serves as authorization for the bank to establish Branch No. 142147 at the above-noted address. Within 10 days after opening, the Bank must advise this office of the branch's opening date, so the OCC may complete its records. Reference the application control number in your letter.

If this branch is closed, a 90-day advance notice of proposed branch closing must be submitted to the OCC pursuant to 12 U.S.C. § 1831r-1. Following the closing of the branch office, a final closing notice should be submitted to this office.

In addition, the branch will be established on the site of an existing building, known as 4-6 Gingerbread Lane at Race Lane, which is eligible for listing in the National Register of Historic Places as a distinctive intact example of late 19th century cottage with Colonial Revival style domestic architecture. The OCC and the New York State Historic Preservation Office

determined that the bank's plans for establishing the branch would have an adverse effect on the building. Accordingly, a Memorandum of Agreement was developed to mitigate the adverse effects of the proposal.

This branch approval is subject to the following condition:

In establishing a branch at 4-6 Gingerbread Lane at Race Lane, East Hampton, New York, the Bank shall carry out the measures listed under the Stipulations section of the Memorandum of Agreement entered into by the Bank, the New York State Historic Preservation Office and the OCC. This condition shall remain in effect until the OCC determines that documentation provided by the Bank meets the requirements as stated in the Stipulations of the Memorandum of Agreement.

This condition is a condition imposed in writing by the agency for any action or any application within the meaning of 12 U.S.C. § 1818. As such, the condition is enforceable under 12 U.S.C. § 1818.

An executed original copy of the Memorandum of Agreement is attached.

This approval and the activities and communications by OCC employees in 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 laws and regulations. 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 regarding this letter, please contact Gail Alston, Licensing Applications Technician, in our Northeastern District Office at (212) 790-4055 or Crystal Maddox, NBE at (202) 874-5060. In any correspondence regarding this application, please reference the application control number.

Sincerely,

/s/

Lawrence E. Beard
Deputy Comptroller
Licensing

Enclosures: Memorandum of Agreement
Survey