



HR1305

LRB097 23489 MGM 72434 r

1 HOUSE RESOLUTION

2 WHEREAS, Covenant Bank in Chicago, Illinois, was given a
3 notice by the Secretary of Financial and Professional
4 Regulation pursuant to Section 51 of the Illinois Banking Act
5 that set a deadline of December 2, 2012 by which Covenant Bank
6 must correct the impairment on its capital; and

7 WHEREAS, Subsection (b) of Section 51 of the Illinois
8 Banking Act authorizes the Secretary of Financial and
9 Professional Regulation to extend the time period contained in
10 that notice; therefore, be it

11 RESOLVED, BY THE HOUSE OF REPRESENTATIVES OF THE
12 NINETY-SEVENTH GENERAL ASSEMBLY OF THE STATE OF ILLINOIS, that
13 we urge the Secretary of Financial and Professional Regulation
14 to grant an extension to Covenant Bank for the correction to
15 the impairment on its capital until February 1, 2013,
16 representing 180 days after the receipt of such notice; and
17 that the Secretary grant an extension on an ongoing basis as
18 long as Covenant Bank's capital is not critically
19 undercapitalized (as defined by the Federal Deposit Insurance
20 Act); and be it further

21 RESOLVED, That we urge the Secretary of Financial and
22 Professional Regulation to grant, for any community bank that

1 has received or is subject to receive a Section 51 order, the
2 maximum initial term of 180 days to take corrective action, and
3 to grant an extension on an ongoing basis as long as the bank's
4 capital (either as filed on its last CALL report or
5 subsequently verified after a capital infusion) is not
6 critically undercapitalized; and be it further

7 RESOLVED, That suitable copies of this Resolution be
8 delivered to the Secretary of Financial and Professional
9 Regulation.