



BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM
WASHINGTON, DC 20551

September 26, 2018

Jeffrey A. Tisdale, Esq.
Tisdale & Nicholson, LLP
2029 Century Park East, Suite 1040
Los Angeles, California 90067

Dear Mr. Tisdale:

This is in response to your letter dated July 17, 2018, on behalf of KEDAP S.A. de C.V. (“KEDAP”), Mexico City, Mexico, and Enrique Rafael Schon Gritzewsky, requesting relief from foreign national commitments provided by KEDAP and Mr. Schon in connection with the application of KEDAP to become a bank holding company with respect to Commerce Bank of Temecula Valley (“CBTV”), Murrieta, California.

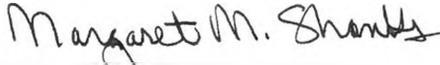
The commitments were provided to ensure that the Federal Reserve had an adequate means of supervising CBTV and enforcing federal banking laws. KEDAP and Mr. Schon seek relief from the commitments because Nano Financial Holdings, Inc. (“NFH”), Irvine, California acquired 100 percent of the voting shares of CBTV (now Nano Banc). KEDAP received shares in NFH in connection with the transaction, resulting in aggregate ownership of approximately 4.46 percent of the common stock of NFH. Mr. Schon, who served as a director at CBTV prior to the merger, now serves as a director of NFH and Nano Banc. Apart from KEDAP’s ownership of NFH’s shares and Mr. Schon’s membership on the boards of directors of NFH and Nano Banc, none of KEDAP, Mr. Schon, or any member of Mr. Schon’s immediate family has any business relationship with, or other apparent means of influencing, NFH or Nano Banc.

Based on the foregoing and all the facts of record, the Director of the Division of Supervision and Regulation, acting pursuant to authority delegated by the Board under section 265.7(a)(2) of the Board’s Rules Regarding Delegation of Authority,¹ and after consulting with the General Counsel, has granted the request for relief from commitments by KEDAP and Mr. Schon.

¹ 12 CFR 265.7(a)(2).

This action is based on the representations set forth in your letters related to this request and in other communications with the Federal Reserve. Any change in the facts presented could result in a different conclusion and should be reported immediately to Board staff. Finally, this action should not be construed as granting relief from any other conditions or commitments to which KEDAP or Mr. Schon is subject.

Very truly yours,



Margaret McCloskey Shanks
Deputy Secretary of the Board