

INTERAGENCY BANK MERGER ACT APPLICATION

Public reporting burden for this collection of information is estimated to average 30 and 18 hours for nonaffiliate and affiliate transactions, respectively, including the time to gather and maintain data in the required form, to review instructions, and to complete the information collection. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden to: Office of the Executive Secretary; Federal Deposit Insurance Corporation; 550 17th Street, N.W.; Washington, DC, 20429 - Secretary, Board of Governors of the Federal Reserve System; 20th and C Streets, N.W.; Washington, DC, 20051 - Licensing Policy and Systems Division; Comptroller of the Currency; 250 East Street, S.W.; Washington, DC, 20219 - Corporate Activities Division; Office of Thrifty Supervision; 1700 G Street, N.W.; Washington, DC, 20552 - and to the Office of Management and Budget; Paperwork Reduction Project; Washington, DC, 20503.

An organization or a person is not required to respond to a collection of information unless it displays a currently valid OMB control number.

GENERAL INFORMATION AND INSTRUCTIONS

Preparation and Use

This application is used to effect a transaction under section 18(c) of the Federal Deposit Insurance Act (FDIA), as amended (12 U.S.C. 1828c), and for national banks, 12 U.S.C. 215, 215a. This application is used for a merger, consolidation, or other combining transaction between nonaffiliated parties as well as to effect a corporate reorganization between affiliated parties (affiliate transaction).

An affiliate transaction refers to a merger, consolidation, other combination, or transfer of any deposit liabilities, between depository institutions that are controlled by the same holding company. It includes a business combination between a depository institution and an affiliated interim institution. Applicants proposing affiliate transactions are not required to complete questions 11 through 13 of this form.

All questions must be answered with complete and accurate information that is subject to verification. If the answer is "none," "not applicable," or "unknown," so state. Answers of "unknown" should be explained. The questions in the application are not intended to limit the Applicants presentation nor are the questions intended to duplicate information supplied on another form or in an exhibit. For such information, a cross reference to the information is acceptable. Supporting information for all relevant factors, setting forth the basis for Applicants conclusions, should accompany the application. The regulatory agency may request additional information. Provide the approximate approval date needed to consummate.

For additional intonation regarding the processing procedures and guidelines and any supplemental information that may be required, please refer to the appropriate regulatory agency's procedural guidelines (i.e., *Comptroller,s Corporate Manual*, the FDIC's Rules and Regulations [12 C.F.R. 303] and Statement of policy on Bank Merger Transactions, or the OTS' *Application Processing Handbook*) or contact the agency directly for specific instruction.

Insurance Fund Conversions and Oakar Transactions

With the prior approval of the FDIC, Section 5(d)(2) of the FDIA (12 U.S.C. 1815(d)(2)) allows an insured depository institution to convert from a Bank Insurance Fund (BIF) member to a Savings Association Insurance Fund (SAIF) ember or from a SAFF to a BIF member. Insurance fund exit and entry fees apply.

Section 5(d)(3) of the FDIA (12 U.S.C. 1815(d)(3)), pertaining to Oakar transactions, permits a direct merger or a purchase and assumption transaction by which a member of BIF or SAIF assumes deposits

insured by the other insurance fund subject to the satisfaction of certain conditions. If applying for approval of a transaction covered by either Section 5(d)(2) or 5(d)(3), check the appropriate box on Page 1 of this form.

Interim Charters and Federal Deposit Insurance

An interim state or federal depository institution charter may be used to facilitate a merger or consolidation. An interim institution is one that does not operate independently but exists, usually for a very short period of time, solely as a vehicle to accomplish a combination (for example, to facilitate the acquisition of 100 percent of the voting shares of an existing depository institution). The processing procedures and guidelines for chartering an interim institution may be found in the guidelines of the appropriate regulatory agency.

Applicants should contact the FDIC to discuss relevant deposit insurance requirements. An application for deposit insurance is not required in connection with a merger, (other than a purchase and assumption) between a federally chartered interim institution and an existing FDIC-insured depository institution, including those instances in which the resulting institution is to operate under the charter, of the federal interim institution. However, an application for deposit insurance is required if a state-chartered interim bank or savings association is to be insured. Mergers between an FDIC-insured institution and an uninsured institution are subject to FDIC approval under section 18(c)(1) of the FDIA (12 U.S.C. 1828(c)(1)).

In making its determination to grant deposit insurance under section 5(a) of the FDIA (12 U.S.C. 1815a), the FDIC will consider the factors enumerated in section 6 of the FDIA (12 U.S.C. 1816). If applying for deposit insurance under section 5(a), check the appropriate boxes on the top of page 1 of this form and include with this application any additional relevant information.

Establishment of Branches and Branch Closings

This Interagency Bank Merger Act Application will be deemed to constitute an application pursuant to section 9 of the Federal Reserve Act (12 U.S.C. 321) in the case of state member banks, section 18(d) of the FDIA (12 U.S.C. 1828d) for other state-chartered banks, and 12 U.S.C. 36 for national banks to operate the Target's branches.

If a branch is closed as a result of a merger, consolidation, or other combination, refer to the Interagency Policy Statement on Branch Closings and applicable law for branch closure notice requirements (12 U.S.C. 1831r-1).

Notice of Publication

An Applicant must publish notice of the proposed acquisition in a newspaper of general circulation in the community or communities in which the main office of each of the parties to the transaction is located (12 U.S.C. 1828(c)(3)). Contact the appropriate regulatory agency for the specific requirements of the notice of publication.

Confidentiality

In general, requests for confidential treatment of specific portions of the application must be submitted in writing concurrently with the submission of the application and must discuss the justification for the requested treatment. Applicant's reasons for requesting confidentiality should specifically demonstrate the harm (e.g., to its competitive position, invasion of privacy) that would result from public release of information (5 U.S.C. 552). Information for which confidential treatment is requested should be: (1) specifically identified in the public portion of the application (by reference to the confidential section); (2) separately bound; and (3) labeled "Confidential." Applicant should follow the same procedure regarding a request for confidential treatment with regard to the subsequent filing of supplemental information to the application.

An Applicant should contact the appropriate regulatory agency for specific instructions regarding requests for confidential treatment. The appropriate regulatory agency will determine, whether the information submitted as confidential will be so guarded and will advise, the Applicant of any decision to make available to the public information labeled as "Confidential."

INTERAGENCY BANK MERGER APPLICATION

Check all that apply:

- | | | |
|---|--|---|
| Type of Filing
<input type="checkbox"/> Affiliate/Corporate Reorganization
<input type="checkbox"/> Combination with Interim
<input type="checkbox"/> Depository Institution
<input type="checkbox"/> Nonaffiliate Combination
<input type="checkbox"/> Other _____ | Form of Transaction
<input type="checkbox"/> Merger
<input type="checkbox"/> Consolidation
<input type="checkbox"/> Purchase and Assumption
<input type="checkbox"/> Branch Purchase and Assumption
<input type="checkbox"/> Other _____ | Filed Pursuant to
<input type="checkbox"/> §18(c), FDIA
<input type="checkbox"/> §5(d)(2), FDIA
<input type="checkbox"/> §5(d)(3), FDIA
<input type="checkbox"/> 12 U.S.C. 215, 215a
<input type="checkbox"/> §5(a), FDIA
<input type="checkbox"/> Other _____ |
|---|--|---|

Applicant Depository Institution

Name	Charter/Docket Number	
<hr/>		
Street		
<hr/>		
City	State	Zip Code

Resultant Institutions (if different than Applicant)

Name	Charter/Docket Number	
<hr/>		
Street		
<hr/>		
City	State	Zip Code

Contact Person

Name		
<hr/>		
Street		
<hr/>		
City	State	Zip Code
<hr/>		
Telephone Number	Fax Number	

INTERAGENCY BANK MERGER APPLICATION

1. Describe the transaction's purpose, structure, significant terms and conditions, and financing arrangements, including any plan to raise additional equity or incur debt.
2. Provide a copy of (a) the executed merger or transaction agreement including any amendments, (b) any board of directors' resolutions related to the transaction, and (c) if applicable, the interim charter, names of organizers, and related documents.
3. Describe any issues regarding the permissibility of the proposal with regard to applicable state or Federal laws or regulations (e.g., nonbank activities, branching, qualified thrift lender's test).
4. Describe any nonconforming or impermissible assets or activities that Applicant or Resultant Institution may not be permitted to retain under relevant law or regulation, including the method of and anticipated time period for divestiture or disposal.
5. Provide the indicated financial information and describe the assumptions used to prepare the projected statements, including those about the effect of the merger transaction. Material changes between the date of the financial statements and the date of the application should be disclosed. If there are no material changes, a statement to that effect should be made.
 - a. Pro Forma Balance Sheet, as of the end of the most recent quarter and for the first year of operation after the transaction. Indicate separately for the Applicant and Target Institution each principal group of assets, liabilities, and capital accounts; debit and credit adjustments (explained by footnotes) reflecting the proposed acquisition; and the resulting pro forma combined balance sheet. Goodwill and all other intangible assets should be listed separately on the balance sheet. Indicate the amortization period and method used for any intangible asset and the accretion period of any purchase discount on the balance sheet.
 - b. Projected Combined Statement of Income for the first year of operation following consummation.
 - c. Pro Forma and Projected Regulatory Capital Schedule, as of the end of the most recent quarter and for the first year of operation, indicating:
 - ◆ Each component item for Tier I (Core) and Tier 2 (Supplementary) Capital, Subtotal for Tier I and Tier 2 Capital (less any investment in unconsolidated or nonincludable subsidiaries), Total Capital (*include Tier 3 If applicable*).
 - ◆ Total risk-weighted assets.
 - ◆ Capital Ratios: (1) Tier I capital to total risk-weighted assets; (2) Total capital to total risk-weighted assets; and (3) Tier I capital to average total consolidated assets (leverage ratio).
6. List the directors and senior executive officers of the Resultant Institution and provide the name, address, position with and shares held in Resultant Institution or holding company, and principal occupation (if a director).
7. Describe how the proposal will meet the convenience and needs of the community. For the combining institutions, list any significant anticipated changes in services or product. that will result from the consummation of the transaction. If any services or products will be discontinued, describe and explain the reasons.

8. Discuss the programs, products, and activities of the Applicant or the Resultant Institution that will meet the existing or anticipated needs of its community(ies) under the applicable criteria of the Community Reinvestment Act (CRA) regulation, including the needs of low- and moderate-income geographies and individuals. For an Applicant or Target that has received a CRA composite rating of "needs to improve" or "substantial noncompliance" institution-wide or, where applicable, in a state or a multi-state MSA, or has received an evaluation of less than satisfactory performance in an MSA or in the non-MSA portion of a state in which the applicant is expanding as a result of the combination, describe the specific actions, if any, that have been taken to address the deficiencies in the institution's CRA performance record since the rating.
9. The Riegle-Neal Interstate Banking and Branching Efficiency Act of 1994 imposes additional considerations for certain interstate mergers between insured banks. Savings associations are not subject to 12 U.S.C. 1831u. If subject to these provisions, discuss authority; compliance with state age limits and host state(s) filing requirements; and applicability of nationwide and statewide concentration limits. In addition, discuss any other restrictions that the states seek to apply (including state antitrust restrictions).
10. List all offices that (a) will be established or retained as branches, including the main office, of the Target Institution, (b) are approved but unopened branch(es) of the Target Institution, including the date the current federal and state agencies granted approval(s), and (c) are existing branches that will be closed as a result of the proposal to the extent the information is available and indicate the effect on the branch customers served. For each branch, list the popular name, street address, city, county, state, and ZIP code.

A nonaffiliate transaction also must reply to items 11 through 13.

11. Discuss the effects of the proposed transaction on existing competition in the relevant geographic market(s) where Applicant and Target Institution operate. Applicant should contact the appropriate regulatory agency for specific instructions to complete the competitive analysis.
12. If the proposed transaction involves a branch sale or any other divestiture of all or any portion of the bank, savings association or nonbank company (in the case of a merger under 12 U.S.C. 1828(c)(1)) to mitigate competitive effects, discuss the timing, purchaser, and other specific information.
13. Describe any management interlocking relationships (12 U.S.C. 3201-3208) that currently exist or would exist following consummation. Include a discussion of the permissibility of the interlock with regard to relevant laws and regulations.

CERTIFICATION

We hereby certify that our board of directors by resolution, has authorized the filing of this application, and that to the best of our knowledge, it contains no misrepresentations or omissions of material facts. In addition, we agree to notify the agency if the facts described in the filing materially change prior to receiving a decision or prior to consummation. Any misrepresentation or omission of a material fact constitutes fraud in the inducement and may subject us to legal sanctions provided by 18 U.S.C. 1001 and 1007.

Signed this _____ day of _____, _____.

(Applicant)

By _____
(Signature of authorized officer)¹

(Typed Name)

(Title)

(Target)

By _____
(Signature of authorized officer)

(Typed Name)

(Title)

¹ In multiple-step combinations, applicants should ensure that authorized officers of the combining institutions sign.

COMPTROLLER OF THE CURRENCY
OFFICE OF THRIFT SUPERVISION

SUPPLEMENT TO INTERAGENCY BANK MERGER ACT APPLICATION

All OCC and OTS Applicants should provide the following supplemental information with their application:

14. If any of the combining institutions have entered into commitments with community organizations, civic associations, or similar entities concerning providing banking services to the community, describe the commitment.
15. If the Resultant Institution will not assume the obligations entered into by the Target Institution, explain the reasons and describe the impact on the communities to be affected.

If filing with the OTS:

16. Provide the information to satisfy the requirements of 12 C.F.R.563.22(d)(1)(vi).

FEDERAL RESERVE SYSTEM

SUPPLEMENT TO INTERAGENCY BANK MERGER ACT APPLICATION

All FRB Applicants should provide the following supplemental information with their application:

14. If the pro forma consolidated assets of Applicant's parent holding company are less than \$150 million and parent company long-term debt will exceed 30 percent of parent company equity capital accounts on a pro forma basis, provide cash flow projections for the parent company which clearly demonstrate the ability to reduce the long-term, debt-to-equity ratio to 30 percent or less within 12 years of consummation.

FEDERAL DEPOSIT INSURANCE CORPORATION

SUPPLEMENT TO INTERAGENCY BANK MERGER ACT APPLICATION

All FDIC Applicants should provide the following supplemental information with their application:

11. This section supplements question 11 of the Interagency Bank Merger Act Application for transactions between nonaffiliated parties. Additional guidance relating to the FDIC's consideration of the competitive factors in a proposed merge, transaction is contained in the FDIC's Rules and Regulations (12 C.F.R. 303 Subpart D) and Statement of policy on Bank Merger Transactions (2 FDIC Law, Regulations, and Related Acts (FDIC) 5 145).

I. Delineation of the relevant geographic market(s).

The relevant geographic market includes the areas in which the offices to be acquired are located and from which those offices derive the predominant portion of their loans, deposits, or other business. The relevant geographic market also includes the areas where existing and potential customers impacted by the proposed merger may practically turn for alternative sources of banking services.

- (a) Prepare schedules for the Applicant Institution and Target Institution showing the total number of accounts and total dollar volume of deposits² for each municipality or census tract, where applicable, according to the recorded address of the depositor (do not submit supporting data). Small amounts may be aggregated and identified as "Other." *If the Applicant Institution is a multi-office institution, Applicant Institution deposit information should be provided only for those offices within or proximate to the area(s) described below under paragraph (b).*
- (b) Identify those areas where existing and potential customers of the offices to be acquired may practically turn for alternative sources of banking services. If consideration of the availability of such alternative banking services results in a market area considerably different from that indicated by the sources of deposits, discuss and provide necessary supporting information.
- (c) Using the information collected in paragraphs (a) and (b), provide a narrative description of the delineated relevant geographic market(s).
- (d) Provide any additional information necessary to support the delineated relevant geographic market(s). Supporting information may include relevant demographic information, locations of major employers, retail trade statistics, and/or information on traffic patterns. *Applicants may consult with the applicable FDIC Regional Office in determining whether additional information is necessary.*

II. Competition in the relevant geographic market(s).

- (a) Prepare a schedule of participating and competing banking institutions' offices, divided into three sections:
 - i Applicant Institution offices within or proximate to the relevant geographic market(s);

² In most cases, total deposits will serve as an adequate proxy for the overall share of banking business in the relevant geographic market area; however, other analytical proxies may be appropriate in certain cases (for example, a merger transaction involving trust companies).

- ii Target Institution offices within or proximate to the relevant geographic market(s); and
- iii Competitor banking offices located or competing within the delineated relevant geographic market(s).

To the extent known, also include banking offices approved but not yet open. The following presentation format is suggested:

Name and Location of Banking Office	Total Deposits	Distance and Direction From Nearest Office	
		Applicant Institution	Target Institution

- (b) For each office listed in paragraph (a), provide the street address; total deposits as reported in the most recent *FDIC Summary of deposit, Data Book* (www.fdic.gov/databank); and distance and general direction from the nearest office of Applicant and Target Institution. *In cases where the delineated relevant geographic market includes a significant portion of a larger metropolitan area, provide only a list of financial institutions and the aggregate total deposits of all offices operated by each with the delineated relevant geographic market(s).*
- (c) Discuss the extent and intensity of competition in the delineated relevant geographic market(s) provided by nonbank institutions, such as other depository institutions (for example, credit unions) and non-depository institutions (for example, industrial loan companies, finance companies, and/or government agencies). For those institutions regarded as competing in the delineated relevant geographic market(s), provide name, address, and services supplied.

OHIO DIVISION OF FINANCIAL INSTITUTIONS

Supplement to Interagency Merger Application

An Ohio-chartered financial institution ("Applicant") should provide the following supplemental information to the Division of Financial Institutions ("the Division") if it proposes to:

- merge or consolidate with another financial institution (bank, savings bank, or savings and loan association) and the resulting institution will be state chartered [O.R.C. §1115.11, 1151.60, or 1161.76]; or
- acquire, by means of a transfer of assets and liabilities, assets having a value of more than 50 per cent of the total assets of the Applicant at the time of the transfer [O.R.C. §1115.14(B)]

If Applicant is a stock corporation and the target institution is a mutual savings and loan association or savings bank, the latter must be converted to a stock form of ownership prior to the merger. If the reorganization will result in changes in the composition of the board of directors of the surviving institution, any new directors must execute oaths of directors within 60 days of the effective date of the reorganization.

The Division does not charge a fee for processing a reorganization application, but if the Division elects to conduct an on-site examination in connection with the application, the Division will charge the actual costs of the examination to the Applicant.

All Ohio-chartered Applicants should provide the following supplemental information with their application:

14. If the transaction is a merger, provide a Certificate of Merger to satisfy the requirements of §1701.81 of the Ohio Revised Code and a check, payable to the Ohio Secretary of State, for the filing fee. The fee is \$125 unless the number of authorized shares of the resulting institution will increase, in which case the fee may be higher. If the resultant institution is Ohio-chartered, any amendments to its Articles of Incorporation must be attached to the Certificate of Merger.
15. If the transaction involves the transfer of assets and liabilities and the transferring institution is state chartered and will not continue in operation after the transaction, provide documents to dissolve the Ohio corporate charter of the transferring institution pursuant to §1701.86 of the Ohio Revised Code.
16. Provide an officers' certification that the transaction has been approved by the directors and shareholders of each constituent corporation in accordance with all applicable state or federal laws and the articles of incorporation/association, code of regulations/constitution, and bylaws of the parties to the reorganization.
17. If any constituent institution is currently authorized to conduct trust business, describe how the reorganization will affect these activities. A trust application must be filed by the Applicant if the reorganization includes a transfer of trust accounts and the Applicant is not currently authorized to conduct a trust business. [O.R.C. §1111.06 or §1151.348]
18. Provide draft copies of the notice of meeting of shareholders/members, proxy solicitation materials, and offering circular/prospectus/registration statement, as applicable, of any constituent institution that is state chartered and not wholly owned by a holding company.
19. If Applicant; any affiliate of Applicant; any executive officer, director, attorney, or auditor of Applicant; or any person that owns (directly or indirectly) 10 percent or more of the outstanding shares of any class of Applicant currently owns or has an option to purchase any shares of the

other constituent financial institution(s), state that person's name and position, number and class of shares, date acquired, and percentage of ownership in the other constituent institution.

20. If the reorganization will result in the ownership of greater than 10 percent of the total number of outstanding shares of the resulting institution by any person, state the name of that person, his or her relationship with the constituent institutions, the number of shares to be owned, and the percentage this number represents of the total outstanding shares of the resulting institution. Such a person may be required to submit a change of control application pursuant to §1115.06, 1151.66, or 1161.78 of the Ohio Revised Code.
21. Provide a copy of the code of regulations or constitution of the resulting institution.

Publication

If the Applicant is a state-chartered bank, it must publish notice of the reorganization within two weeks after consummation of the transaction in newspapers of general circulation in the counties in which the principal office of each constituent institution is located pursuant to §1115.18 of the Ohio Revised Code. A copy of the publication, showing the date and newspaper of publication, must be submitted to the Division within 30 days of publication.

Interim Charter

If an interim institution will be chartered pursuant to §1115.23, 1151.091, or 1161.13 of the Ohio Revised Code to facilitate the creation of a holding company or the acquisition of an operating financial institution by an existing holding company, the Articles of Incorporation of the interim institution (see attached sample) must accompany the application. The fee for filing the Articles with the Secretary of State is set forth in Ohio Revised Code §111.16 and will be determined after the application has been accepted for filing.

A reorganization with an interim institution involves a two-step process whereby the interim institution is formed and subsequently undergoes a reorganization with an operating institution. The interim institution must have at least one incorporator, which may be a corporation, and its paid-in capital and surplus must satisfy any applicable statutory requirements. Prior to the consummation of the reorganization, the activities of the interim institution must be limited to those associated with its establishment and subsequent reorganization. If the operations, market area, management, directorate or other characteristics of the resulting institution will differ materially from those of the operating institution, such differences must be fully explained in the application. The board of directors and shareholders of the interim and operating institutions must approve the reorganization agreement and related documents.

Fairness Hearing

If the applicant is a state-chartered bank, §1115.25 of the Ohio Revised Code provides that, if the reorganization agreement provides for an exchange of the shares of one constituent corporation for shares of another constituent corporation or of a holding company, any party to the agreement or any individual or individuals representing at least ten per cent of the shares of a constituent corporation, the shares of which will be exchanged, may any time prior to the consummation of the reorganization request in writing a public hearing before the Division regarding the fairness of the terms and conditions of the exchange. Only parties directly affected by the reorganization may appear at the hearing. The Division does not, and cannot, offer any assurance that the hearing will afford an exemption from federal or state securities registration.

ARTICLES OF INCORPORATION

of

Name of Institution

The undersigned, desiring to form a corporation under the laws of the State of Ohio, hereby certifies:

FIRST: The name of said Corporation shall be _____.

SECOND: The place where the principal place of business of the Corporation is to be located is the (City, Village or Township) of _____, County of _____, State of Ohio.

THIRD: The purpose for which the Corporation is formed is to facilitate the acquisition of an operating commercial bank/savings bank/savings and loan association (delete inappropriate words) by serving as an interim institution under Section 1115.23/1151.091/1161.13 (delete inappropriate cites) of the Ohio Revised Code, as now in force or hereafter amended, and to do all things necessary or incident thereto pursuant to the provisions of Title 11 of the Ohio Revised Code and any and all statutes amendatory or supplementary thereto.

FOURTH: The maximum number of shares which the Corporation is authorized to have outstanding is _____ shares of common stock with a par value of \$ _____ per share.

IN WITNESS WHEREOF, we have hereunto subscribed our names this _____ day of _____, _____.

(Print Name of Incorporator)

(Signature)