

**APPLICATION FOR PURCHASE or ASSUMPTION
of LIABILITIES (less than a majority of)**

submitted to the

ARKANSAS STATE BANK DEPARTMENT

We, the undersigned Directors of

Corporate Title of Applicant *Charter Number*

Street Address

City *County* *State* *Zip Code*

hereby apply to the State Bank Commissioner for written permission to purchase or assume the assets and liabilities of:

Corporate Title of Target *Charter Number*

Street Address

City *County* *State* *Zip Code*

Street Address

City *County* *State* *Zip Code*

Street Address of Office to be Acquired (If Applicable)

City *County* *State* *Zip Code*

If a branch office is maintained, will this branch location be operated under a different trade name than the corporate title of Applicant?

Yes No

If the answer is *Yes*, then please provide the proposed trade name of the branch and complete the enclosed Application for Fictitious Name. Please remain aware of the Interagency Statement on Branch Names, dated May 1, 1998, which details federal guidelines for depository institutions operating branches under different trade names.

Name, title, address, and telephone number of person(s) to whom inquiries concerning this application may be directed:

I hereby certify that the bank's Board of Directors has authorized the filing of this application and that to the best of my knowledge, it contains no misrepresentations or omissions of material facts.

Signature of Authorized Officer

Title

Date of Application

Typed Name

Telephone Number

INSTRUCTIONS

Fee: Applicant shall submit to the Department a non-refundable filing fee of \$300 for purchase or assumption of liabilities.

Confidentiality: Pursuant to the provisions of the Freedom of Information Act, the application is a public document and available to the public upon request, with the exception of personal financial statements submitted in support of the application.

If Applicant is of the opinion that disclosure of commercial or financial information would likely result in substantial harm to its competitive position or that of its subsidiaries, or that disclosure of information of a personal nature would result in a clearly unwarranted invasion of personal privacy, confidential treatment of such information may be requested. The request for confidential treatment must be submitted in writing concurrently with the submission of the application, and must discuss in detail the justification for confidential treatment. Such justification must be provided for each response for which confidential treatment in the public portion of the application is requested. Applicant's reasons for requesting confidentiality should demonstrate specifically the harm that would result from public release of the information. A statement simply indicating that the information would result in competitive harm or that it is personal in nature is not sufficient. It must be demonstrated that disclosure would meet either the "substantial competitive harm" or "unwarranted invasion of personal privacy" test.

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) bound separately from the public portion of the application; and
- 3) labeled "Confidential". The same procedure should be followed with regard to filing any supplemental information to the application, or in filing personal financial statements.

The Department will determine if information submitted as confidential will be so regarded, and will advise Applicant of any decision to make available to the public information labeled "Confidential". However, it shall be understood that, without prior notice to Applicant, the Department may disclose or comment on any of the contents of the application in the Order or Statement issued by the Department in connection with a decision on the application.

If a branch office is to be established as a result of the proposed transaction, the following requirements apply:

Notice Published by Applicant: Notice of intent to file an application must appear in a newspaper of statewide circulation one time at or prior to the actual filing of the application with the Bank Commissioner. Evidence of such publication of notice must accompany the application.

Fictitious Name: Pursuant to A.C.A. § 23-48-309 – Names of state banks and subsidiary trust companies; “No state bank registered out-of-state bank, or subsidiary trust company shall conduct any business in this state under a fictitious name unless it first files with the Commissioner a form supplied or approved by the Commissioner giving the following information:

INSTRUCTIONS

(continued)

- 1) the fictitious name under which business is being or will be conducted by the applicant corporation;
- 2) a brief statement of the character of business to be conducted under the fictitious name;
- 3) the name, home state, and location (*including street address, county, city and state*) of the registered office in the state of the applicant entity.”

See Attachment – **Application for Fictitious Name**

SUPPORTING INFORMATION/DOCUMENTATION

Applicant must submit the following information and/or documentation in support of the application. **If a branch office will not be established as a result of the proposed transaction, respond “Not Applicable” to items 1 through 6. If a branch office will be established as a result of the proposed transaction, respond “Not Applicable” to item 7.** Please number responses to correspond with the following:

- 1) submit a certified copy of a resolution authorized and approved by the Board of Directors of the assuming state bank and the selling depository institution agreeing to the purchase and sale.

See Attachments – **Resolution of the Board of Directors** (*Assuming state bank and selling depository institution*)

- 2) notice of intent to file an application must appear in a newspaper of statewide circulation one time at or prior to the actual filing of the application with the Bank Commissioner. Evidence of such publication of notice must accompany the application.

See Attachment - **Legal Notice**

- 3) provide a brief legal description of any property to be acquired, a physical description of any structures to be acquired or constructed, and an itemized schedule of costs. Submit a copy of any option-to-purchase agreement executed by the bank or its representative and a copy of the proposed contract or estimate of costs to be incurred with the establishment of the proposed branch.

See Attachment - **Fixed Asset Expenditures**

- 4) provide an itemized list of all equipment, furniture, fixtures, vault, etc., to be acquired (The bank, in establishing this new office, must develop external security procedures and install security devices in compliance with applicable federal statutes and regulations).

- 5) address the following:

- a) discuss why management proposes to purchase the branch office;
- b) discuss how the proposed office complies with Applicant’s written strategic plan; and
- c) identify services to be offered to support consumer needs.

- 6) submit the following information:

- a) a projected budget and pro forma balance sheet of the bank for a three year period from the date the proposed branch is to be placed into operation;
- b) a separate budget, income and expense categories listed separately, for the branch office for a three year period;

SUPPORTING INFORMATION/DOCUMENTATION

(continued)

- c) interest rate assumptions. Also, identify the number of employees required to operate the branch office and the positions to be maintained;
 - d) schedule of loans and deposits for the proposed branch for each of the three years. Note the amount of existing loans and deposits included in the projections; and
 - e) the break-even point (deposit level). If additional capital is anticipated submit the proposed capital plan.
- 7) Projection
- a) submit a projected budget and pro forma balance sheet of the bank for a three year period from the date the liabilities are acquired.
 - b) if additional capital is anticipated submit the proposed capital plan.
- 8) Discuss any changes contemplated in the directorate or active management of the bank as a result of the proposed transaction.
- 9) Please state the anticipated consummation date of the proposed transaction.

I. ESTIMATED CONSOLIDATED FINANCIAL STATEMENTS

Submit a statement of the estimated assets and liabilities and income and expenses of the proposed resulting bank, as of the date of the last call report.

Applicant may report financial information in another format. However, please include all accounts listed below. Add other accounts which may have a bearing on the evaluation of the transaction.

| | APPLICATION | TARGET | ADJUSTMENTS | CONSOLIDATED |
|---|-------------|--------|-------------|--------------|
| ASSETS | | | | |
| Cash | | | | |
| Securities | | | | |
| Loans | | | | |
| Less Reserves | | | | |
| Fixed Assets | | | | |
| Other Real Estate | | | | |
| Goodwill | | | | |
| Other Assets | | | | |
| TOTAL ASSETS | | | | |
| LIABILITIES | | | | |
| Non-Int Bearing Dep | | | | |
| Int Bearing Deposits | | | | |
| TOTAL DEPOSITS | | | | |
| Fed Funds Purchased | | | | |
| Other Borrowings | | | | |
| Subordinated Notes | | | | |
| Other Liabilities | | | | |
| TOTAL LIABILITIES | | | | |
| TOTAL EQUITY CAPITAL | | | | |
| TOTAL EQUITY CAPITAL & LIABILITIES | | | | |
| OPERATING EARNINGS | | | | |
| Int and Dis on Loans | | | | |
| Int and Div on Sec | | | | |
| Other Operating Inc. | | | | |
| GROSS OPERATING INC | | | | |
| OPERATING EXPENSES | | | | |
| Int Deposits | | | | |
| Int Borrowings | | | | |
| Salaries and Wages | | | | |
| Prov for Loan Loss | | | | |
| Other Operating Exp | | | | |
| Income Taxes | | | | |
| TOTAL OPERATING EXP | | | | |
| NET OPERATING INC | | | | |

LEGAL NOTICE

NOTE: Federal Reserve member banks are required to publish separate legal notices for the Federal Reserve and the State Bank Department.

(for Federal Reserve member banks)

(Name and location of main office) intends to apply to the Federal Reserve Board for permission to purchase the assets and assume the liabilities of *(a branch, located at (address), of) (name and location of head office)*. The Federal Reserve considers a number of factors in deciding whether to approve the application, including the record of performance of applicant banks in helping to meet local credit needs.

You are invited to submit comments in writing on this notice to the Federal Reserve Bank of St. Louis, P.O. Box 442, St. Louis, Missouri 63166-0442. Comments can also be submitted electronically at Comments.Applications@stls.frb.org. The comment period will not end before *(date must be no less than thirty (30) days from the date of publication of the notice)* and may be somewhat longer. The Board's procedures for processing applications may be found at 12 C.F.R. Part 262. Procedures for processing protested applications may be found at 12 C.F.R. 262.25. To obtain a copy of the Federal Reserve Board's procedures, or if you need more information about how to submit your comments on the application, contact David L. Hubbard, Senior Manager, (314) 444-7303. The Federal Reserve will consider your comments and any request for a public meeting or formal hearing on the application if they are received in writing by this Reserve Bank on or before the last day of the comment period.

(For the Arkansas State Bank Department)

Notice is hereby given that _____ has made application to the
(name and location of applicant)
Arkansas State Bank Department for _____ of:
(subject matter of application)

(target, address, city, county, state)

Any person desiring to comment on this application to the Arkansas State Bank Department may do so by filing his or her comments in writing to the State Bank Commissioner at the office of the department, 1 Commerce Way, Suite 401, Little Rock, Arkansas 72202. Written comments, including any formal protests, concerning this application must be received in the Arkansas State Bank Department no later than fifteen (15) days following the date of the actual filing of the application.

This notice is published pursuant to The Arkansas Banking Code of 1997, as amended

LEGAL NOTICE
(for non-member banks)

Notice is hereby given that _____ has made application to the Federal
(name and location of applicant)
Deposit Insurance Corporation and the Arkansas State Bank Department for the purchase of assets
and the assumption of liabilities of: _____.
(target, address, city, county, state)

Any person wishing to comment on this application may file his or her comments in writing with
the Regional Director of the Federal Deposit Insurance Corporation at its Area Office at
6060 Primacy Parkway, Suite 300, Memphis, Tennessee 38119 - 5770, not later than
_____, 20 _____.
(date 15 days after the publication date)

The period may be extended by the Regional Director for good cause. The non-confidential portion
of the application file is available for inspection within one day following the request for such file.
It may be inspected in the Corporation's Area Office during regular business hours. Photocopies of
information in the non-confidential portion of the application file will be made available upon
request. A schedule of charges for such copies can be obtained from the Area Office.

If resulting bank will operate offices of the other bank as branches, include the following statement
in the notice: It is contemplated that all offices of the above-named institutions will continue to be
operated [with the exception of *(insert identity and location of each office that will not be
operated)*].

Any person desiring to comment on this application to the Arkansas State Bank Department may do
so by filing his or her comments in writing to the State Bank Commissioner at the office of the
department, 1 Commerce Way, Suite 401, Little Rock, Arkansas 72202. Written comments,
including any formal protests, concerning this application must be received in the Arkansas State
Bank Department no later than fifteen (15) days following the date of the actual filing of the
application.

This notice is published pursuant to Part 303.7 of the Rules and Regulations of the Federal Deposit
Insurance Corporation and The Arkansas Banking Code of 1997, as amended.

FIXED ASSET EXPENDITURES

PERMANENT QUARTERS ANTICIPATED

Give brief physical description of structures to be acquired or constructed, including square footage, number of offices, number of teller windows, etc. Also, include legal description of property.

| Circle One | Owned | Leased | Total Cost |
|------------------|---|--------|------------|
| IF OWNED | Land Building Furniture and Equipment TOTAL FIXED ASSET EXPENDITURE | | |
| IF LEASED | Leasehold Improvements Furniture and Equipment TOTAL FIXED ASSET EXPENDITURE | | |

Additional comments:

TEMPORARY QUARTERS ANTICIPATED

Are temporary quarters anticipated: Yes No
 If yes, complete the following:

| | |
|----------------|--|
| STREET ADDRESS | DIRECTION AND DISTANCE FROM PERMANENT QUARTERS |
| | MONTHLY RENTAL OR COST (SPECIFY) |

Give brief physical description of structures to be acquired or constructed, including square footage, number of offices, number of teller windows, etc. Also, include legal description of property.

ARKANSAS STATE BANK DEPARTMENT
APPLICATION FOR FICTITIOUS NAME

To: Susannah T. Marshall
Bank Commissioner
Arkansas State Bank Department
1 Commerce Way, Suite 401
Little Rock, Arkansas 72202

Pursuant to the provisions of The Arkansas Banking Code of 1997, the undersigned applicant hereby applies for the use of a fictitious name and submits herewith the following statements:

1. The name of the applicant and its date of qualification in Arkansas:

2. The home state of applicant:

3. The fictitious name under which business is being or will be conducted by the applicant entity:

4. The location (*street address, city, county, state and zip*) of the office where the fictitious name will be used:

5. The character of the business to be conducted under such fictitious name is:

6. The location (*street address, city, county, state and zip*) of the registered office of applicant in Arkansas is:

Signature: _____

Date: _____

Chairman of the Board, CEO, President or other officers (If directors have not been selected, the incorporator may execute.)

Address: _____

INSTRUCTIONS

Prepare this form in duplicate and send to the Arkansas State Bank Department, Little Rock, Arkansas;

Publish legal notice of intention to file an application for use of a fictitious name (*see example below*) one (1) time in a newspaper of statewide circulation. Such notice shall include the current corporate name, the proposed fictitious name, and the location or locations where the proposed fictitious name will be used. A copy of the legal notice must accompany the application;

Request a current check of both state and federal trademark or service-mark filings on the proposed fictitious name. Evidence must accompany the application for use of a fictitious name verifying the applicant has made a trademark or service-mark search and no trademark or service-mark exists for the proposed fictitious name.

Once the application for use of a fictitious name is received by the State Bank Department, notice of the filing of the application will be sent to all state-chartered banks by electronic transmission. Any protestant will have seven (7) days from the date the Department notice was sent to file an official protest to the application. An official protest must be provided to the Department in written form delineating the reasons for the protest and must be accompanied by a filing fee of twenty-five dollars (\$25). The Bank Commissioner will make the final determination on the use of a fictitious name.

If accepted, the duplicate bearing the file marks of the Commissioner will be returned to the state bank, registered out-of-state bank or subsidiary trust company. A.C.A. § 23-48-309

Fee: \$25.00

LEGAL NOTICE (for the Arkansas State Bank Department)

Notice is hereby given that (*Bank Name, Address, City, County*), Arkansas has made application to the Arkansas State Bank Department for the use of the fictitious name _____.
The proposed fictitious name will be used at the following *branch* or *limited purpose office* (whichever is applicable), at the proposed location (*address, city, county, state*)_____.

Any person desiring to comment on this application to the Arkansas State Bank Department may do so by filing his or her comments in writing to the Bank Commissioner at the office of the State Bank Department, 1 Commerce Way, Suite 401, Little Rock, Arkansas, 72202.

RESOLUTION OF THE BOARD OF DIRECTORS OF

(Assuming state bank)

WHEREAS, this Board of Directors has determined it would be in the best interest of the bank to approve the purchase of assets and/or assumption of liabilities from

(Selling depository institution)

pursuant to the terms of the purchase and/or assumption agreement executed on _____
(Date)

WHEREAS, this Board of Directors has discussed the proposed agreement between

_____, and
(Assuming state bank)

_____, and
(Selling depository institution)

has determined that it would be in the best interest of the bank to join in and be bound by the purchase and/or assumption agreement.

IT IS THEREFORE RESOLVED, that _____
(Assuming state bank)

approve, join in and be bound by the purchase and/or assumption agreement, all of which is hereby approved.

IT IS FURTHER RESOLVED, that Officers and Directors of _____
(Assuming state bank)

are hereby authorized to do and perform such further acts and things consistent herewith as may be necessary to give effect to the purpose of this Resolution, including making application on behalf of this institution to the appropriate regulatory agencies.

THIS RESOLUTION had not been rescinded or modified and has been duly entered in the minutes books.

The above Resolution has not been rescinded or modified and has been duly entered in the minutes book of the Applicant Bank. Application is made, hereby.

Name and Location of Applicant Bank

Signature of CEO, President or Vice President

Date

(Secretary)

Date

Seal

RESOLUTION OF THE BOARD OF DIRECTORS OF

(Selling depository institution)

WHEREAS, this Board of Directors has determined it would be in the best interest of the institution to approve the purchase of assets and/or assumption of liabilities by

(Assuming state bank)

pursuant to the terms of the purchase and/or assumption agreement executed on _____
(Date)

WHEREAS, this Board of Directors has discussed the proposed agreement between

_____, and
(Selling depository institution)

_____, and
(Assuming state bank)

has determined that it would be in the best interest of the institution to join in and be bound by the purchase and/or assumption agreement.

IT IS THEREFORE RESOLVED, that _____

(Selling depository institution)

approve, join in and be bound by the purchase and/or assumption agreement, all of which is hereby approved.

IT IS FURTHER RESOLVED, that Officers and Directors of _____

(Selling depository institution)

are hereby authorized to do and perform such further acts and things consistent herewith as may be necessary to give effect to the purpose of this Resolution, including making application on behalf of this institution to the appropriate regulatory agencies.

THIS RESOLUTION had not been rescinded or modified and has been duly entered in the minutes books.

Name of Institution

Signature of Chairman of the Board or President

Date

(Secretary)

Date