

Application for a Savings Bank to Consolidate or Purchase the Assets of a Bank/Savings Bank/Association/Credit Union

Consolidations and purchase of assets are subject to the requirements and limitations of sections 336, 701, 706 and related sections of the Michigan Savings Bank Act of 1996, as amended.

1. To request approval to consolidate or purchase the assets of a bank/savings bank/association/credit union with the resulting institution a state-chartered savings bank, please submit a letter application addressed to the Commissioner of the Office of Financial and Insurance Regulation (OFIR). The letter must be supported with the following information:

- A. Institutions** Give the names of the institutions involved and indicate under which charter and name the resulting savings bank will operate and where the principal office will be located.
- B. Transaction** Summarize the terms and conditions of the consolidation agreement/purchase and assumption agreement, including details of the consideration paid, financing arrangements and debt assumption provisions. If applicable, state any ownership or control applicant's parent has with the other consolidating organization(s).
- C. Agreement** Provide a copy of the consolidation agreement/ purchase and assumption agreement, including any amendments.
- D. Financial Information** Provide current financial information and the resulting pro forma combined balance sheet. List goodwill and all other intangible assets separately on the balance sheet. Provide capital ratios for tier 1 capital to total risk-weighted assets; total capital to total risk-weighted assets; and tier 1 capital to average total consolidated assets (leverage ratio).
- E. Earnings Summary** Provide a prior two-year earnings summary for each institution participating in the proposed transaction. This will be waived for a section 706 new savings bank.
- F. Future Prospects** Describe the planned or anticipated effects this proposal will have on the future direction of the resulting savings bank with respect to assets and earnings growth, services offered and the community served.
- G. Directors/Officers** List the directors and senior executive officers of the resulting institution. Indicate position to be held, position held immediately prior to the consolidation or assumption and shares to be held in the resulting institution. If any of the individuals listed are not presently affiliated with the institutions involved, describe their financial institution experience, qualifications and other business affiliations.
- H. Offices** List all offices of the resulting savings bank including approved/allowed but unopened offices. Indicate which branches are currently operated by the target institution(s) and include the main office of the target institution(s). Detail any office that will be closed as a result of this transaction. This information does not need to be completed for a section 706 consolidation.
- I. Assets/Activities** Describe any nonconforming or impermissible assets or activities that the applicant or resulting institution may not be permitted to retain under relevant law or regulation, including the method of and anticipated time period for divestiture or disposal.

