

Jeremiah W. (Jay) Nixon
Governor
State of Missouri



Department of Insurance
Financial Institutions
and Professional Registration
John M. Huff, Director

DIVISION OF FINANCE

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Enclosed is an application for a Missouri state bank charter. You will note that this is a joint application being used by the Division of Finance and the Federal Deposit Insurance Corporation. You should immediately contact the Federal Deposit Insurance Corporation for any specific instructions or requirements that they may have with respect to this application.

When you have reviewed the forms, but prior to filing this application, we would like to meet with the organizers to discuss the new bank, the application process and Division policies and guidelines regarding new charter applications.

After you have completed all forms, please send one originally signed copy and one photocopy of the completed application to the Division of Finance and one originally signed copy and two photocopies to the Federal Deposit Insurance Corporation.

Should you have any questions, please do not hesitate to contact this office.

/rmt
Enclosure

INTERAGENCY CHARTER AND FEDERAL DEPOSIT INSURANCE APPLICATION

Public reporting burden for this collection of information is estimated to average 250 hours per response (125 hours for the charter application and 125 hours for the insurance application), including the time to review instructions, search, and to review and 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, NW, Washington, DC 20429; 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:

- Sections 5 and 6 of the Federal Deposit Insurance Act (FDIA), as amended (12 U.S.C. 1815, 1816), for federal deposit insurance.
- The state law for applying for state depository charters, as approved by state regulatory authorities.

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 Applicant’s 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. *Any such cross-reference must be made to a specific cite or location in the documents, so the information can be located easily.* Supporting information for all relevant factors, setting forth the basis for Applicant’s conclusions, should accompany the application. The regulatory agency may request additional information.

This application form collects information that the regulatory agencies will need to evaluate a charter or insurance application. While most of the information will be available when the organizers submit the application, some information will not be available at that time. Each agency has specific purposes and different timing requirements in collecting some of this information, for example, receipt of the organizers’ draft policies. For any question about when to submit a specific item, organizers should contact the appropriate regulatory agencies to discuss the specific timing for submission.

The regulatory agency must consider the applicable statutory requirements set forth in the preceding provisions, as well as applicable regulatory requirements, when acting on this application. For additional information regarding these statutory and regulatory requirements, as well as processing procedures and guidelines and any supplemental information that may be required, please refer to the appropriate regulatory agency's procedural guidelines [i.e., FDIC'S Rules and Regulations (12 C.F.R. 303) and Statement of Policy on "Applications for Deposit Insurance", or the application guidelines for the state in which the Applicant seeks a state charter]. The Applicant may contact the agency directly for specific instruction or visit their websites at www.fdic.gov, www.csbs.org (through "Links" to each state banking department), or www.missouri-finance.org.

Notice of Publication

The Applicant must publish notice of the proposed organization in a newspaper of general circulation in the community or communities in which the proposed financial institution will be located. Contact the appropriate federal regulatory agency for the specific requirements of the notice of publication.

Electronic Submission

In addition to an original application and the appropriate number of signed copies, the regulatory agencies would like to have an electronic copy of the information in the application, especially of the business plan's financial projections. Submission of an electronic copy is voluntary. It will be used only for internal review and processing and will not be released to the public. The electronic copy may be provided on a computer diskette, using common word processing and spreadsheet software. For E-mail submissions, contact the appropriate regulatory agency for instructions and information about secure transmission of confidential material.

Confidentiality

Any Applicant desiring confidential treatment of specific portions of the application must submit a request in writing with the application. The request must discuss the justification for the requested treatment. The Applicant's reasons for requesting confidentiality should specifically demonstrate the harm (for example, loss of competitive position, invasion of privacy) that would result from public release of information (5 U.S.C. 552 or relevant state law). 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." The Applicant should follow the same procedure when requesting confidential treatment for the subsequent filing of supplemental information to the application.

The Applicant should contact the appropriate regulatory agency for specific instructions regarding requests for confidential treatment. The appropriate regulatory agency will determine whether the information will be treated as confidential and will advise the Applicant of any decision to publicly release information labeled as "Confidential."

INTERAGENCY CHARTER AND FEDERAL DEPOSIT INSURANCE APPLICATION

(Check all appropriate boxes.)

Type of Charter

- State Bank
- State Savings Association
- Other

Special Focus

- Community Development
- Cash Management
- Trust
- Bankers' Bank
- Credit Card: CEBA Non-CEBA
- Other _____

Insurance Fund

- Bank Insurance Fund
- Savings Association Insurance Fund

Type of Insurance Application

- De Novo
- Operating Noninsured Institution
- Other _____

Federal Reserve Status

- Member Bank
- Nonmember Bank

Proposed Depository Institution (institution)

Name

Street

City

State

ZIP Code

Holding Company Identifying Information (if applicable)

Name

Street

City

State

ZIP Code

Contact Person

Name

Title/Employer

Street

City

State

ZIP Code

Telephone Number

Fax Number

E-Mail Address

INTERAGENCY CHARTER AND FEDERAL DEPOSIT INSURANCE APPLICATION

1. Overview

- (a) Provide a brief overview of the application. The overview should describe the institution's business and any special market niche, including the products, market, services, and any nontraditional activities.
- (b) Describe any issues about the permissibility of the proposal with regard to applicable state or federal laws or regulations. Identify any regulatory waiver requests and provide adequate justification.
- (c) List and provide a copy of all applications filed in conjunction with this proposal, such as applications for holding company, trust powers, branch offices, service corporations, and other subsidiaries.
- (d) When available, provide a copy of all public or private offering materials and the proposed form of stock certificate, including any required restrictive legends.
- (e) Provide a copy of the proposed articles of agreement or articles of incorporation and proposed bylaws. Sample articles of agreement are attached.
- (f) Provide a copy of the business plan. The business plan should address, at a minimum, the topics contained in the federal regulatory agency's Business Plan Guidelines which are attached.

2. Management

- (a) Provide a list of the organizers, proposed directors, senior executive officers, and any individual, or group of proposed shareholders acting in concert, that will own or control 10 percent or more of the institution's stock. For each person listed, attach an Interagency Biographical and Financial Report, a fingerprint card, and indicate all positions and offices currently held or to be held with the institution's holding company and its affiliates, if applicable. Include the signed "Oath of Director" for each proposed director (form attached).
- (b) Describe each proposed director's qualifications and experience to serve and oversee management's implementation of the business plan. Describe the extent, if any, to which directors or major stockholders are or will be involved in the day-to-day management of the institution. Also list the forms of compensation, if any.
- (c) Provide a list of board committees and members.

- (d) Describe any plans to provide ongoing director education or training.
- (e) Describe each proposed senior executive officer's duties and responsibilities and qualifications and experience to serve in his/her position. If a person has not yet been selected for a key position, list the criteria that will be required in the selection process. Discuss the proposed terms of employment, including compensation and benefits, and attach a copy of all pertinent documents, including an employment contract or compensation arrangement. Provide the aggregate compensation of all officers.
- (f) Describe any potential management interlocking relationships (12 U.S.C. 1467a(h)(2), 3201-3208), that could occur with the establishment or ownership of the institution. Include a discussion of the permissibility of the interlock with regard to relevant law and regulations or include a request for an exemption.
- (g) Describe any potential conflicts of interest.
- (h) Describe any transaction, contract, professional fees, or any other type of business relationship involving the institution, the holding company, and its affiliates (if applicable), and any organizer, director, senior executive officer, shareholder owning or controlling 10 percent or more, and other insiders. Include professional services or goods with respect to organizational expenses and bank premises and fixed asset transactions. (Transactions between affiliates of the holding company that do not involve the institution need not be described.)
 - 1) State whether the business relationship is made in the ordinary course of business, is made on substantially the same terms as those prevailing at the time for comparable transactions with non-insiders, and does not present more than the normal risk of such transaction or present other unfavorable features.
 - 2) Specify those organizers that approved each transaction and whether the transaction was disclosed to proposed directors and prospective shareholders.
 - 3) Provide all relevant documentation, including contracts, independent appraisals, market valuations, and comparisons.
- (i) Describe all stock benefit plans of the institution and holding company, including stock options, stock warrants, and other similar stock-based compensation plans, for senior executive officers, organizers, directors, and other insiders. Include in the description:
 - 1) The duration limits.

- 2) The vesting requirements.
- 3) Transferability restrictions.
- 4) Exercise price requirements.
- 5) Rights upon termination.
- 6) Any “exercise or forfeiture” clause.
- 7) Number of shares to be issued or covered by the plans.

Provide a list of participants, allocation of benefits to each participant, and a copy of each proposed plan. (Plans must conform to applicable regulatory guidelines.)

3. Capital

- (a) For each class of stock, provide the number of authorized shares, the number of shares to be issued, par value, voting rights, convertibility features, liquidation rights, and the projected sales price per share. Indicate the amount of the proceeds to be allocated to common stock, paid-in surplus, and other capital segregations.
- (b) Describe any noncash contributions to capital, and provide supporting documents for assigned values, including an independent evaluation or appraisal.
- (c) Discuss the adequacy of the proposed capital structure relative to internal and external risks, planned operational and financial assumptions, including technology, branching, and projected organization and operating expenses. Present a thorough justification to support the proposed capital, including any off-balance-sheet activities contemplated. Describe any plans for the payment of dividends.
- (d) List all known subscribers to stock. For organizers, directors, 10 percent shareholders, senior executive officers, and other insiders, include the number of shares and anticipated investment and the amount of direct and indirect borrowings to finance the investment. Discuss how any debt will be serviced.
- (e) List recipients and amounts of any fees, commissions, or other considerations in connection with the sale of stock.
- (f) Indicate whether the institution plans to file for S Corporation tax status.

4. Convenience and Needs of the Community

NOTE: This information must be consistent with the proposed business plan.

(a) Market Characteristics

- 1) Define the intended geographical market area(s). Include a map of the market area, pinpointing the location of proposed bank's offices and offices of competing depository institutions.
- 2) Describe the competitive factors the institution faces in the proposed market and how the institution will address the convenience and needs of that market to maintain its long-term viability.
- 3) Discuss the economic environment and the need for the institution in terms of population trends, income, and industry and housing patterns.

(b) Community Reinvestment Act (CRA) Plan

NOTE: The CRA Plan must be bound separately.

- 1) Identify the assessment area(s) according to the CRA regulations.¹
- 2) Summarize the performance context for the institution based on the factors discussed in the CRA regulations.²
- 3) Summarize the credit needs of the institution's proposed assessment area(s).
- 4) Identify the CRA evaluation test³ under which the institution proposes to be assessed.
- 5) Discuss the institution's programs, products, and activities that will help meet the existing or anticipated needs of its community(ies) under the applicable criteria of the CRA regulation, including the needs of low- and moderate-income geographies and individuals.

¹ See 12 C.F.R. 25.41, 345.41, 563.41.

² See 12 C.F.R. 25.21(b), 345.21(b), 563e.21(b).

³ See 12 C.F.R. 25.21(a), 345.21(a); 563e.21(a).

5. Premises and Fixed Assets

- (a) Provide a physical description for permanent premises and discuss whether they will be publicly and handicapped accessible. Indicate the level and type of property insurance to be carried.
- (b) If the permanent premises are to be purchased, provide a copy of the contract, name of seller, purchase price, cost and description of necessary repairs and alterations, and annual depreciation. If the premises are to be constructed, provide the name of the seller, the cost of the land, and the construction costs. Indicate the percentage of the building that will be occupied by the bank.
- (c) If the permanent premises are to be leased, provide name of owner, terms of the lease, and cost and description of leasehold improvements. Provide a copy of the proposed lease.
- (d) If temporary quarters are planned, provide a description of interim facility, length of use, lease terms, and other associated commitments and costs. Provide a copy of any proposed lease and include the address where the temporary quarters will operate.
- (e) State whether proposed premises and fixed asset expenditures conform to applicable statutory limitations.
- (f) Outline the security program that will be developed and implemented, including the security devices.⁴
- (g) Discuss any significant effect the proposal will have on the quality of the human environment. Include in the discussion changes in air and/or water quality, noise levels, energy consumption, congestion of population, solid waste disposal, or environmental integrity of private land within the meaning of the National Environmental Policy Act, 42 U.S.C. 4321, et seq.
- (h) Describe any plan to establish branches or relocate the main office within the first three years. Any acquisition or operating expenses should be reflected in the financial projections.
- (i) Indicate if the establishment of the proposed main office and/or any branch site may affect any district, site, building, structure, or object listed in, or eligible for listing in, the National Register of Historic Places pursuant to the National

⁴ See C.F.R. 21, 326, 568

Historic Preservation Act, 16 U.S.C. 470f. (See the Advisory Council on Historic Preservation at www.achp.gov for the Act and implementing regulations.) Specify how such determination was made:

- 1) Consultation with the State Historic Preservation Officer (SHPO) and/or Tribal Historic Preservation Officer (THPO) (when tribal lands or historic properties of significance to a tribe are involved).
- 2) Reviewed National Register of Historic Places (see www.cr.nps.gov/nr).
- 3) Applied National Register criteria to unlisted properties.⁵
- 4) Reviewed historical records.
- 5) Contact with preservation organizations.
- 6) Other (describe).

As appropriate, provide a copy of any documentation of consultation with the SHPO and/or THPO. *You are reminded that if a historic property may be affected, no site preparation, demolition, alterations, construction or renovation may occur without the appropriate regulatory agency's authorization.*

6. Information Systems

- (a) State whether the institution plans to market its products and services (the ability to do transactions or account maintenance) via electronic means. If yes, specifically state the products and services that will be offered via electronic banking or the Internet.
- (b) Outline the proposed or existing information systems architecture and any proposed changes or upgrades. The information should describe how: (1) the information system will work within existing technology; (2) the information system is suitable to the type of business in which the institution will engage; (3) the security hardware, software, and procedures will be sufficient to protect the institution from unauthorized tampering or access; and (4) the organizers and directors will allocate sufficient resources to the entire technology plan.
- (c) Provide lists or descriptions of the primary systems and flowcharts of the general processes related to the products and services. The level of detail in these system descriptions should be sufficient to enable verification of the cost projections in the *pro formas*.

⁵ See 36 C.F.R. 60.4.

- (d) Estimate the start-up budget for the information systems related to the products and services and the expected annual operating and maintenance costs (including telecommunications, hardware, software, and personnel).
- (e) Describe the physical and logical components of security. Describe the security system and discuss the technologies used and key elements for the security controls, internal controls, and audit procedures. Discuss the types of independent testing⁶ the institution will conduct to ensure the integrity of the system and its controls.
- (f) Describe the information security program that will be in place to comply with the “Interagency Guidelines Establishing Standards for Safeguarding Customer Information.”⁷ (attached)

7. Other Information

- (a) List activities and functions, including data processing, that will be outsourced to third parties, identifying the parties and noting any affiliations. Describe all terms and conditions of the vendor management activities and provide a copy of the proposed agreement when available. Describe the due diligence conducted and the planned oversight and management program of the vendors’ or service providers’ relationships (for general vendor management guidance, see the Appendix of the FFIEC’s guidance, Risk Management of Outsourced Technology Services).
- (b) List all planned expenses related to the organization of the institution and include the name of recipient, type of professional service or goods, and amount. Describe how organization expenses will be paid.
- (c) Provide evidence that the institution will obtain sufficient fidelity coverage on its officers and employees to conform with generally accepted banking practices.
- (d) If applicable, list names and addresses of all correspondent depository institutions that have been established or are planned.
- (e) Provide a copy of management’s policies for loans, investments, liquidity, funds management, interest rate risk, and other relevant policies. Provide a copy of the

⁶ Independent tests should cover general and environmental controls as well as audit, monitoring, and balancing controls. Independent testing will provide an objective opinion on the adequacy of these controls.

⁷ See 15 U.S.C. 6801, 6805(b), 12 C.F.R. 30; 308 and 364; 568 and 570.

Bank Secrecy Act program. Contact the appropriate regulatory agencies to discuss the specific timing for submission.

(f) If the institution is, or will be, affiliated with a company engaged in insurance activities that are subject to supervision by a state insurance regulator, provide:

- 1) The name of insurance company.
- 2) A description of the insurance activity that the company is engaged in and has plans to conduct.
- 3) A list of each state and the lines of business in that state in which the company holds, or will hold, an insurance license. Indicate the state where the company holds a resident license or charter, as applicable.

STATE AND FDIC CERTIFICATION

We, the undersigned organizers being natural persons of lawful age, certify that the information contained in this application has been examined carefully and is true, correct, and complete, and is current as of the date of this submission. We also certify that any misrepresentation or omissions of material facts with respect to this application, any attachments to it, and any other documents or information provided in connection with the application for the organization of the proposed financial institution and federal deposit insurance may be grounds for denial or revocation of the charter and/or insurance, or grounds for an objection to the undersigned as proposed director(s) or officer(s) of the proposed financial institution, and may subject the undersigned to other legal sanctions, including the criminal sanctions provided for in 18 U.S.C. 1001, 1007, and 1014. We request that examiners be assigned to make any investigations necessary.

We acknowledge that approval of this application is in the discretion of the appropriate federal and state banking agency or agencies. Actions or communications, whether oral, written, or electronic, by an agency or its employees in connection with this filing, including approval of the application if granted, do not constitute a contract, either express or implied, or any other obligation binding upon the agency, other federal banking agencies, the United States, any other agency or entity of the United States, or any officer or employee of the United States. Such actions or communications will not affect the ability of any federal or state banking agency to exercise its supervisory, regulatory, or examination powers under applicable law and regulations. We further acknowledge that the foregoing may not be waived or modified by any employee, or agent of a federal or state banking agency or of the United States.

It is understood that the State Banking Supervisor (“Supervisor”) and the Board of Directors of the Federal Deposit Insurance Corporation (“Corporation”), in applying the factors set out in state and federal statutes, will consider the application only with respect to the general character or type of business stated and that the depository institution will not engage in any other business without the prior written consent of the Supervisor and the Corporation. We have, in connection with this application, considered the following provisions of Section 362.030 and Sections 5 and 6 of the Federal Deposit Insurance Act which govern the admission of banks to membership in the Federal Deposit Insurance Corporation, namely:

“362.030 Commissioner to examine as to character and capital. 1. When any bank or trust company has filed with the commissioner proper copies of its articles of agreement, paid all incorporation and other fees in full, as required by law and provided the cash required by law, the commissioner, before the bank or trust company shall complete its incorporation, shall cause an examination to be made to ascertain whether the requisite capital of the bank or trust company has been subscribed in good faith and paid in actual cash and is ready for use in the transaction of business of the proposed bank or trust company, and whether the character, responsibility and general fitness of the persons named in the articles of agreement are such as to command confidence and warrant belief that the business of the proposed corporation will be conducted honestly and efficiently in accordance with the intent and purpose of this chapter, and if the convenience and needs of the community to be served justify and warrant the opening of the bank or trust company therein, and if the probable volume of business in such locality is sufficient to insure and maintain the solvency of the new bank or trust company and the solvency of the then existing banks and trust companies in the locality, without endangering the safety of any bank or trust company in the locality as a place of deposit of public and private moneys.”

FDI Act, Section 5. “Subject to the provisions of this Act, ...any State nonmember bank, upon application to and examination by the Corporation and approval by the Board of Directors, may become an insured bank. Before approving the application of any such State nonmember bank, the Board of Directors shall give consideration to the factors enumerated in section 6 in determining whether to approve the application for insurance.”

FDI Act, Section 6. “The factors...to be considered by the Board of Directors under section 5 shall be the following: The financial history and condition of the bank, the adequacy of its capital structure, its future earnings prospects, the general character of its management, the risk presented to the Bank Insurance Fund, the convenience and needs of the community to be served by the bank, and whether or not its corporate powers are consistent with the purposes of this Act.”

It is further understood that federal deposit insurance will not become effective (a) until the proposed depository institution has been incorporated and authorized to engage in the business of receiving deposits, (b) until the board of directors of the depository institution has adopted a resolution (Form 6200/19, attached) ratifying and confirming the action of the incorporators in making this application with supporting information, (c) until the depository institution has fulfilled such

requirements, if any, as the Corporation may impose as a condition of its approval of this application, and (d) until the depository institution has been notified that its membership in the Corporation has been approved.

Signature and Place of Residence

Date

Typed Name

EXHIBITS (Check all that apply)

- Business Plan
 - Financial Projections
- CRA Plan
- Articles of Association or Articles of Incorporation
- Bylaws
- Oath of Director
- Interagency Biographical and Financial Reports
- Fingerprint cards (appropriate regulatory agency)
- Publication Certification/Affidavit/Notice of Publication
- Copies of contracts/agreements
 - Employment/compensation
 - Service providers
 - Other
- Stock Benefit Plans
- Economic survey or market feasibility study
 - Market Area Map
- Waiver request, specify: _____
- Offering Materials
- Proposed stock certificate
- Corporate or holding company audited statements or financial reports
- Copy of policies, specify: _____

Business Plan Guidelines

Preparation and Use

The business plan should be an integral part of the management and oversight of a financial institution (“institution”). It should establish the institution’s goals and objectives. It is a written summary of how the business will organize its resources to meet its goals and how the institution will measure progress.

The business plan should be a comprehensive plan, which is the result of in-depth planning by the institution’s organizers and management. It should realistically forecast market demand, customer base, competition, and economic conditions. The plan must reflect sound banking principles and demonstrate realistic assessment of risk in light of economic and competitive conditions in the market to be served. An institution with a special purpose or focus (for example, credit card, trust only, cash management, or bankers’ bank) should address this special or unique feature in detail in the appropriate sections of the plan.

The business plan should cover three years and provide detailed explanations of actions that are proposed to accomplish the primary functions of the institution. The description should provide enough detail to demonstrate that the institution has a reasonable chance for success, will operate in a safe and sound manner, and will have adequate capital to support the risk profile.

For any institution with an Internet or alternative electronic delivery channel, the plan should contain a clear and detailed definition of the market the institution plans to serve and the products and services it will provide through electronic channels. Because the Internet has a potential global market and can reach anyone with Internet access, the selected information on market area and products and services is essential. The marketing plan should explain how the institution would achieve brand recognition.

Confidentiality

Any Applicant desiring confidential treatment of specific portions of the plan and projections must submit the request in writing. The request must discuss the justification for the requested treatment. The Applicant’s reasons for requesting confidentiality should specifically demonstrate the harm (for example, loss of its competitive position, invasion of privacy) that would result from public release of information (5 U.S.C. 552 or relevant state law). 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.” The Applicant should follow the

same procedure when requesting confidential treatment for the subsequent filing of supplemental information to the plan.

The Applicant should contact the appropriate regulatory agency for specific instructions regarding requests for confidential treatment. The appropriate regulatory agency will determine whether the information will be treated as confidential and will advise the Applicant of any decision to publicly release information labeled as “Confidential.”

BUSINESS PLAN

I. Table of Contents

II. Executive Summary

Describe the highlights of the plan.

III. Description of Business

- A. Describe the institution's business and any special market niche, including the products, market, services, and nontraditional activities.
- B. If in a holding company structure, discuss the operations of the organization, including a brief detail of the organizational structure and interaction between the institution and its affiliates.
- C. Describe the extent, if any, that there are or will be transactions with affiliated entities or persons. Include terms.
- D. Discuss the legal form and stock ownership of the institution and any investment in subsidiaries or service corporations.
- E. For an operating company, describe the present financial condition and current resources, such as office network, staff, and customer base. Specifically discuss the strengths and weaknesses.
- F. Describe the proposed location, office quarters, and any branch structure.
- G. Discuss any growth or expansion plans, including additional branches, other offices, mergers, or acquisitions.

IV. Marketing Plan

A marketing plan should provide in detail factual support that the institution has reasonable prospects to achieve the revenue projections, customer volume, and key marketing and income targets. The analysis should be based on the most current data available, and the sources of information should be referenced. This section should contain an in-depth discussion of the major planning assumptions for the market analysis, economic, and competitive components used to develop the plans, objectives, and the basis for the assumptions.

A. Product Strategy

- 1) List and describe the general terms of the planned products and services, including activities of any subsidiaries. Discuss any plans to engage in any subprime or speculative lending, including plans to originate loans with high loan-to-value ratios.
- 2) Discuss how the institution will offer products and services over the three years, indicating any variation in the different market areas or distribution channels, and include the time frame for the introduction and the anticipated cost associated with each.
- 3) Describe the institution's plans to engage in any secondary market/mortgage banking activity, including loan participations. Discuss plans to use forward take-out commitments or engage in loan securitization. Describe any plans to engage in hedging activity to mitigate the risks of this activity. Also, discuss plans to retain recourse and servicing.
- 4) Describe the primary sources of loans and deposits and the major methods to solicit them. If using brokers or agents, provide full details of the nature and extent of all such activities, including sources, amounts, fees, and any intended tie-in of compensatory arrangements with the broker or agent.
- 5) Describe any arrangements with e-commerce businesses (for example, links to another's Web site to shop, order, or purchase goods and/or services online).

B. Market Analysis

- 1) Describe the intended target market and the geographical market areas(s).
- 2) Describe the demographics of the target market population (for example, age, education, and occupation).

C. Economic Component ⁸

⁸ If obtained, discuss any independent economic survey or market feasibility study.

- 1) Describe the economic forecast for the three years of the plan. The plan should cover the most likely scenario and discuss possible economic downturns.
- 2) Indicate any national, regional, or local economic factors that may affect the operations of the institution. Include an analysis of any anticipated changes in the market, the factors influencing those changes, and the effect they will have on the institution.
- 3) Describe the current economic characteristics of the proposed market(s), for example, size, income, and industry and housing patterns.
- 4) Based on the economic characteristics described previously, discuss the economic factors that influence the products and services to be offered. A more in-depth discussion is warranted when different types of services are identified for different market areas in the Description of Business section.

D. Competitive Analysis

- 1) Compare and contrast the institution's product strategy with its principal competitors in the target market(s). Include expected results in terms of relative strength, market share, and pricing.
- 2) Discuss the overall marketing/advertising strategy, including approaches to reach target market through the marketing of brand, products, and services. Outline the specific medium that will be used, including timing and level of advertising efforts.
- 3) Discuss potential competition in the target market(s).

V. **Management Plan – Directors and Officers**

- A. Provide the number of organizers and /or directors. Provide a list of board committees and a brief explanation of the responsibilities of each committee.
- B. Describe the organizational structure and provide an organizational chart, indicating the number of officers and employees. Describe the duties and responsibilities of the senior executive officers. Describe any management committees that are or will be established.

- C. Discuss the institution's plans to address management succession, including any management training program or other available resources.

VI. Records, Systems, and Controls

- A. Describe the institution's current and/or proposed accounting and internal control systems, indicating any use of electronic processing systems.
- B. Describe management's proposed internal audit function. The description should set forth the independence of the department and the scope and frequency of audits. Discuss the experience and education of the audit staff. If external auditors will be used for internal audits, provide similar information for the external auditors.
- C. Describe the compliance management programs, addressing independence, scope, frequency, and staff qualifications. Discuss how the institution will respond to consumer complaints.
- D. State plans for an annual audit by independent public accountants.
- E. Discuss the functions that will be outsourced and what the institution will do in-house.

VII. Financial Management Plan

- A. Capital and Earnings
 - 1) Discuss the capital goals and the means to achieve them.
 - 2) Discuss the earnings goals in terms of return on assets, net interest margin, or other profitability measurements, and summarize the strategies to achieve those goals.
 - 3) Discuss the plan for raising capital and for financing growth, with particular emphasis on conformance with regulatory capital requirements.
 - 4) Discuss the adequacy of the proposed capital structure relative to internal and external risks, planned operational and financial assumptions, including technology, branching, and projected organization and operating expenses. Present a thorough

justification to support the proposed capital, including any off-balance-sheet activities contemplated.

- 5) Describe the debt service requirements for any debt that will be issued at the holding company level to capitalize the institution.
- 6) Discuss the use of options, warrants, and/or other benefits associated with the institution's capital.
- 7) Summarize the dividend policy.

B. Liquidity and Funds Management

- 1) Discuss how the institution will identify and measure liquidity risk.
- 2) Discuss the institution's plan to monitor and control its liquidity risk, including funding sources (deposits, borrowings, securitizations). Include holding company support, if any.
- 3) Describe any plans to borrow funds from any financial institutions or other sources, including the amount, composition, interest rate, maturity, purpose, and collateral.
- 4) Discuss the type of investment securities the institution plans to purchase.

C. Sensitivity to Market Risk

- 1) Discuss the institution's objectives, strategies, and risk tolerance for interest rate risk.
- 2) Discuss how the institution will identify and measure rate risk.
- 3) Discuss the institution's asset and liability portfolio in terms of sensitivity to interest rate changes and the impact of earnings and capital and net portfolio value. Discuss the risk limits to control interest rate risk.
- 4) Describe any plans to use hedging activities (for example, futures, options, interest rate swaps, or other derivative instruments).

D. Credit Risk

- 1) Discuss how the institution will identify and measure credit risk.
- 2) Describe the loan review program, addressing independence, scope, frequency, and staff qualifications.
- 3) Describe the methodology used to determine the allowance for loan and lease losses.

VIII. Monitoring and Revising the Plan

- A. Describe how the board of directors will monitor adherence to the business plan.
- B. Describe how the board of directors will adjust and amend the plan to accommodate significant or material economic changes.

IX. Alternative Business Strategy (Optional unless your regulator requires)

An alternative business strategy details how an institution will operate under scenarios in which market conditions differ significantly from those projected in this business plan. This alternative business strategy should be realistic about the business risks and incorporate sound management of such risks. This alternative strategy should consider potential adverse scenarios relating to the asset or liability mixes, interest rates, operating expenses, marketing costs, and growth rates. This discussion should include realistic plans for how the bank would access additional capital, if needed, in the future and, if applicable, contingency funding plans that address strategies for managing potential liquidity fluctuations. This plan also should discuss any financial safeguards to offset unexpected costs and remain well capitalized.

Periodically, the institution should update this section, especially as the institution becomes more complex and as industry conditions change.

X. Financial Projections

- A. Provide financial information for opening day *pro forma* and quarterly projections for the three years of operations. Also provide annual totals for the Income Statement. The line items in the financial statements should be consistent with the Consolidated Reports of Condition and

Income⁹ so that projected items may be compared conveniently with actual performance. The following reports should be used:

Projected Balance Sheet (Schedule RC)

Projected Income Statement (Schedule RI)

Regulatory Capital Schedule (Schedule RI-A)

The financial statements should be presented in two ways: (1) showing the dollar amounts, and (2) as a percentage of total assets.

- 1) Describe in detail all of the assumptions used to prepare the projected statements, including the assumed interest rate scenario for each interest earning asset and interest costing liability over the term of the business plan. Also present a thorough justification to support proposed capital, including any branch expansion and off-balance-sheet activities contemplated.
 - 2) Provide the basis for the assumptions used for noninterest income and noninterest expense. Indicate the amount of lease expense, capital improvements, and furniture, fixtures, and equipment, including systems and equipment upgrades.
 - 3) Describe the assumptions for the start-up costs, volumes, expected returns, and expected time frame to introduce each new product and service.
- B. Discuss how the institution used marketing studies or surveys to support the institution's projected growth.
- C. Discuss the level of marketing expenses necessary to achieve the projected market share for both loan and deposit products. Assumptions should be consistent with those experienced by other institutions in the target market. Explain any significant variances between the assumptions in the target market.
- D. Provide a sensitivity analysis of the financial projections. A sensitivity analysis provides a realistic stress test of the major underlying assumptions used in the business plan and the resultant financial projections. For example, adjust the financials to reflect the effects of

⁹ See FDIC'S Web site <http://www.fdic.gov/regulations/call/crinst/callinst.html>.

adverse changes in the interest rate environment, changes in the asset/liability mix, higher than expected operating expenses, marketing costs, and/or growth rates.

**CALL REPORT
FINANCIAL PROJECTIONS**

BALANCE SHEET
Assets
Cash and balances due from depository institutions Noninterest-bearing balances and currency and coin Interest-bearing balances
Securities Held-to-maturity securities Available-for-sale securities
Federal Funds sold and securities purchased under agreements to resell
Loans and lease financing receivables Construction and land development loans secured by real estate Secured by farmland Revolving, open-end loans secured by 1-4 family residential Other first lien loans secured by 1-4 family residential Other junior lien loans secured by 1-4 family residential Secured by multifamily residential properties Secured by nonfarm nonresidential properties Loans to depository institutions Loans to finance agricultural production and other loans to farmers Commercial and industrial loans Acceptances of other banks Credit card and related plans to individuals Other loans to individuals for household, family and other personal expenditures Obligations (other than securities and leases) of states and political subdivisions to the U.S. All other loans (exclude consumer loans) Lease financing receivables (net of unearned income) Less: Unearned income Allowance for loan and lease losses Total Loans and leases, net of unearned income and allowance
Other Assets Trading assets Premises and fixed assets Other real estate owned Investments in unconsolidated subsidiaries and associated companies Customers' liability to this bank on acceptances outstanding Intangible assets All other assets (describe)
<i>Total Assets</i>

**CALL REPORT
FINANCIAL PROJECTIONS**

BALANCE SHEET (Continued)
Liabilities
Transaction deposit accounts Demand NOW accounts, ATS accounts, and other interest bearing transaction accounts
Nontransaction Deposit Accounts Money market deposit accounts (MMDAs) Other savings deposits Time deposits of \$100,000 or more Time deposits of less than \$100,000 Other nontransaction accounts (describe)
Other Liabilities Federal funds purchased and securities sold under agreements to repurchase Demand notes issued to the U.S. Treasury Trading liabilities Borrowed money with remaining maturity of one year or less Borrowed money with remaining maturity of more than one year through three years Borrowed money with remaining maturity of more than three years Bank's liability on acceptances executed and outstanding Subordinated notes and debentures All other liabilities (describe)
Total Liabilities
Equity Capital
Common stock
Surplus
Undivided profits
Other equity capital (describe)
Total Equity

REGULATORY CAPITAL

Total Equity
Other Tier 1 Capital (describe)
Total Tier 1 Capital
Allowances for Loan and Lease Losses
Other Tier 2 Capital (describe)
Total Tier 1 and Tier 2 Capital
Total Assets
Total Risk Weighted Assets
Capital Ratios
Tier 1 Capital/Total Risk Weighted Assets
Total Tier 1 and Tier 2 Capital/Total Risk Weighted Assets
Tier 1 Capital/Total Assets

ALLOWANCE FOR LOAN AND LEASE LOSSES
--

Beginning balance
Current quarter's:
Recoveries
Provision for loan and lease losses
Less: Charge-offs
Allowance ending balance

FINANCIAL PROJECTIONS

INCOME STATEMENT
Interest Income
Real estate loans
Installment loans
Credit card loans
Commercial (time and demand) and all other loans
Lease financing receivables
Balances due from depository institutions
Taxable securities issued by states and political subdivisions in the U.S.
Tax-exempt securities issued by states and political subdivisions in the U.S.
U.S. Government and other debt securities
Equity securities
Interest income from trading assets
Federal funds sold and securities purchased under agreements to resell
Other interest income (describe)
Total Interest Income
Interest Expense
Transaction accounts (NOW accounts, ATS accounts, and other)
Money market deposit accounts
Other savings deposits
Time deposits of \$100,000 or more
Time deposits of less than \$100,000
Federal funds purchased and securities sold under agreements to repurchase
Demand notes issued by the U.S. Treasury, trading liabilities, and other borrowed money
Subordinated notes and debentures
Other interest expense (describe)
Total Interest Expense
Net Interest Income
Provisions for Loan and Lease Losses
Noninterest income
Service charges on deposit accounts
Other fee income
All other noninterest income
Realized gains (losses) on held-to-maturity securities
Realized gains (losses) on available-for-sale securities
Noninterest expense
Salaries and employee benefit expense
Premises and fixed assets
Other noninterest expense
Income (loss) before income taxes and extraordinary items and other adjustments
Applicable income taxes
Extraordinary items and other adjustments, net of income taxes
Net Income (Loss)
Dividends
Other changes in capital (describe)
Ending Equity Capital

FINANCIAL PROJECTIONS

INTEREST INCOME & INTEREST EXPENSE ASSUMPTIONS

For each quarter	Average Balance	Interest Rate
Real estate loans Installment loans Credit card loans Commercial (time and demand) and all other loans Lease financing receivables Balances due from depository institutions Taxable securities issued by states and political subdivisions in the U.S. Tax-exempt securities issued by states and political subdivisions in the U.S. U.S. Government and other debt securities Equity securities Interest income from trading assets Federal funds sold and securities purchased under agreements to resell Other interest income		
For each quarter	Average Balance	Interest Rate
Transaction accounts (NOW accounts, ATS accounts, and other) Money market deposit accounts Other savings deposits Time deposits of \$100,000 or more Time deposits of less than \$100,000 Federal funds purchased and securities sold under agreements to repurchase Demand notes issued by the U.S. Treasury, trading liabilities, and other borrowed money Subordinated notes and debentures Other interest expense		

FORM FOR INCORPORATING A STATE BANK

ARTICLES OF AGREEMENT

Know all men by these presents:

That we, the undersigned, desirous of forming a corporation under the laws of the State of Missouri, and more particularly under the provisions of Chapter 362, RSMo, thereto, for the purpose of establishing a bank, have entered into the following agreements:

FIRST: That the name of this corporation shall be:

SECOND: That the bank shall be located at _____, in the City of _____, County of _____, State of Missouri.

THIRD: That the amount of capital stock of the corporation shall be \$ _____ divided into _____ shares of the par value of _____ dollars each; that the same has been bona fide subscribed and is actually paid up in lawful money of the United States and is in the custody of the persons hereinafter named as the first board of directors; that the Surplus will be \$ _____ and the Undivided Profits will be \$ _____.

FOURTH: That the name and places of residence of the several individuals and the number of shares subscribed by each are as follows:

<u>NAME</u>	<u>RESIDENCE</u>	<u>NUMBER OF SHARES</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

FIFTH: That the Board of Directors shall consist of _____ individuals, and the following are the names of those agreed upon as the first directors:

SIXTH: The duration of the corporation shall be perpetual.

SEVENTH: The purpose for which this corporation is formed is to have and exercise all rights and powers, including fiduciary powers, of a state chartered bank and trust company organized pursuant to Chapter 362, RSMo. (Bank with trust powers)

SEVENTH: The purpose for which this corporation is formed is to have and exercise all rights and powers of a bank, except fiduciary powers requiring a separate Certificate of Authority from the Commissioner of Finance pursuant to Section 362.115, under Chapter 362, RSMo. (Bank without trust powers)

IN TESTIMONY WHEREOF, we have hereunto, this _____ day of _____, _____, set our hands.

STATE OF MISSOURI)
) ss.
COUNTY OF _____)

On this _____ day of _____, _____, before me personally appeared the _____ to me known to be the persons described in and who executed the foregoing instrument, and acknowledged that they executed the same as their free act and deed.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my notary seal the day and year above mentioned. My commission expires _____.

Notary Public

Appendix B to Part 364 – Interagency Guidelines Establishing Standards for Safeguarding Customer Information

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 - B. Assess Risk
 - C. Manage and Control Risk
 - D. Oversee Service Provider Arrangements
 - E. Adjust the Program
 - F. Report to the Board
 - G. Implement the Standards

I. Introduction

The Interagency Guidelines Establishing Standards for Safeguarding Customer Information (Guidelines) set forth standards pursuant to section 39 of the Federal Deposit Insurance Act (section 39, codified at 12 U.S.C. 1831p-1), and sections 501 and 505(b), codified at 15 U.S.C. 6801 and 6805(b), of the Gramm-Leach-Bliley Act. These Guidelines address standards for developing and implementing administrative, technical, and physical safeguards to protect the security, confidentiality, and integrity of customer information.

- A. *Scope.* The Guidelines apply to customer information maintained by or on behalf of entities over which the Federal Deposit Insurance Corporation (FDIC) has authority. Such entities, referred to as “the bank” are banks insured by the FDIC (other than members of {{2-28-01 p. 3170}} the Federal Reserve System), insured state branches of foreign banks, and any subsidiaries of such entities (except brokers, dealers, persons providing insurance, investment companies, and investment advisers).
- B. *Preservation of Existing Authority.* Neither section 39 nor these Guidelines in any way limit the authority of the FDIC to address unsafe or unsound practices, violations of law, unsafe or unsound conditions, or other practices. The FDIC may take action under section 39 and these Guidelines independently of, in conjunction with, or in addition to, any other enforcement action available to the FDIC.
- C. *Definitions.* 1. Except as modified in the Guidelines, or unless the context otherwise requires, the terms used in these Guidelines have the same meanings as set forth in sections 3 and 39 of the Federal Deposit Insurance Act (12 U.S.C. 1813 and 1831p-1). 2. For purposes of the Guidelines, the following definitions apply:

- a. *Board of directors*, in the case of a branch or agency of a foreign bank, means the managing official in charge of the branch or agency.
- b. *Customer* means any customer of the bank as defined in § 332.3(h) of this chapter.
- c. *Customer information* means any record containing nonpublic personal information, as defined in § 332.3(n) of this chapter, about a customer, whether in paper, electronic, or other form, that is maintained by or on behalf of the bank.
- d. *Customer information systems* means any methods used to access, collect, store, use, transmit, protect, or dispose of customer information.
- e. *Service provider* means any person or entity that maintains, processes, or otherwise is permitted access to customer information through its provision of services directly to the bank.

II. Standards for Safeguarding Customer Information

- A. *Information Security Program*. Each bank shall implement a comprehensive written information security program that includes administrative, technical, and physical safeguards appropriate to the size and complexity of the bank and the nature and scope of its activities. While all parts of the bank are not required to implement a uniform set of policies, all elements of the information security program must be coordinated.
- B. *Objectives*. A bank's information security program shall be designed to:
 - 1. Ensure the security and confidentiality of customer information;
 - 2. Protect against any anticipated threats or hazards to the security or integrity of such information; and
 - 3. Protect against unauthorized access to or use of such information that could result in substantial harm or inconvenience to any customer.

III. Development and Implementation of Information Security Program

- A. *Involve the Board of Directors*. The board of directors of an appropriate committee of the board of each bank shall:
 - 1. Approve the bank's written information security program; and
 - 2. Oversee the development, implementation, and maintenance of the bank's information security program, including assigning specific responsibility for its implementation and reviewing reports from management.
- B. *Assess Risk*. Each bank shall:

1. Identify reasonably foreseeable internal and external threats that could result in unauthorized disclosure, misuse, alteration, or destruction of customer information or customer information systems.
2. Assess the likelihood and potential damage of these threats, taking into consideration the sensitivity of customer information.
3. Assess the sufficiency of policies, procedures, customer information systems, and other arrangements in place to control risks.

C. *Manage and Control Risk.* Each bank shall: {{2-28-01 p. 3171}}

1. Design its information security program to control the identified risks, commensurate with the sensitivity of the information as well as the complexity and scope of the bank's activities. Each bank must consider whether the following security measures are appropriate for the bank and, if so, adopt those measures the bank concludes are appropriate:
 - a. Access controls on customer information systems, including controls to authenticate and permit access only to authorized individuals and controls to prevent employees from providing customer information to unauthorized individuals who may seek to obtain this information through fraudulent means.
 - b. Access restrictions at physical locations containing customer information, such as buildings, computer facilities, and records storage facilities to permit access only to authorized individuals;
 - c. Encryption of electronic customer information, including while in transit or in storage on networks or systems to which unauthorized individuals may have access;
 - d. Procedures designed to ensure that customer information system modifications are consistent with the bank's information security program;
 - e. Dual control procedures, segregation of duties, and employee background checks for employees with responsibilities for or access to customer information;
 - f. Monitoring systems and procedures to detect actual and attempted attacks on or intrusions into customer information systems;
 - g. Response programs that specify actions to be taken when the bank suspects or detects that unauthorized individuals have gained access to customer information systems, including appropriate reports to regulatory and law enforcement agencies; and
 - h. Measures to protect against destruction, loss, or damage of customer information due to potential environmental hazards, such as fire and water damage or technological failures.
2. Train staff to implement the bank's information security program.

3. Regularly test the key controls, systems and procedures of the information security program. The frequency and nature of such tests should be determined by the bank's risk assessment. Tests should be conducted or reviewed by independent third parties or staff independent of those that develop or maintain the security programs.
- D. *Oversee Service Provider Arrangements.* Each bank shall:
1. Exercise appropriate due diligence in selecting its service providers;
 2. Require its service providers by contract to implement appropriate measures designed to meet the objectives of these Guidelines; and
 3. Where indicated by the bank's risk assessment, monitor its service providers to confirm that they have satisfied their obligations as required by paragraph D.2. As part of this monitoring, a bank should review audits, summaries of test results, or other equivalent evaluations of its service providers.
- E. *Adjust the Program.* Each bank shall monitor, evaluate, and adjust, as appropriate, the information security program in light of any relevant changes in technology, the sensitivity of its customer information, internal or external threats to information, and the bank's own changing business arrangements, such as mergers and acquisitions, alliances and joint ventures, outsourcing arrangements, and changes to customer information systems.
- F. *Report to the Board.* Each bank shall report to its board or an appropriate committee of the board at least annually. This report should describe the overall status of the information security program and the bank's compliance with these Guidelines. The report, which will vary depending upon the complexity of each bank's program should discuss material matters related to its program, addressing issues such as: risk assessment, risk management and control decisions; service provider arrangements; results of testing; security breaches or violations, and management's responses; and recommendations for changes in the information security program.
- G. *Implement the Standards.* 1. *Effective Date.* Each bank must implement an information security program pursuant to these Guidelines by July 1, 2001.
3. *Two-year grandfathering of agreements with service providers.* Until July 1, 2003, a contract that a bank has entered into with a service provider to perform services for it or {{2-28-01 p. 3172}} functions on its behalf, satisfies the provisions of paragraph III.D., even if the contract does not include a requirement that the servicer maintain the security and confidentiality of customer information as long as the bank entered into the contract on or before March 5, 2001.

[Codified to 12 C.F.R. Part 364, Appendix B]

[Appendix B added at 63 Fed. Reg. 55484, October 15, 1998; amended at 66 Fed Reg. 8638, February 1, 2001, effective July 1, 2001]

CERTIFICATE OF ADOPTION OF RESOLUTION

The undersigned, _____ and _____
(President or Vice-President) (Cashier or Secretary)
of the _____,
(Name of Bank) (Street Address) (City or Town and State)
do hereby certify that the following is a true and correct copy of a resolution duly adopted by the Board of Directors of the said Bank at a meeting of said Board regularly called and held on _____; and entered in the minutes of that meeting: (Date)

“WHEREAS, there was submitted to the Federal Deposit Insurance Corporation an APPLICATION OF PROPOSED BANK FOR FEDERAL DEPOSIT INSURANCE (Form 82) duly executed and forwarded to the Federal Deposit Insurance Corporation on _____, by Messrs. _____, _____, _____, and _____, prospective incorporators of the _____,
(Name of Bank) (City or Town and State)
then in the process of organization; and

“WHEREAS, said Application was made by the prospective incorporators on behalf of the Bank, upon the understanding that such insurance was not to become effective (a) until the proposed Bank had been incorporated and authorized to engage in the business of receiving deposits, (b) until the Board of Directors of the Bank had adopted a resolution ratifying and confirming the action of said incorporators in making said Application with supporting information, and (c) until the Bank had fulfilled such requirements, if any, as might be imposed by the Federal Deposit Insurance Corporation as a condition of its approval of said Application, and (d) until the Bank had been approved for membership in said Corporation and so notified; and

“WHEREAS, the Bank has been duly incorporated and chartered as a State bank and authorized to receive deposits and do a banking business by the proper State Authority;

“NOW, THEREFORE, IT IS RESOLVED, that the Board of Directors of the bank hereby approves the said action of the prospective incorporators of the Bank in preparing and presenting to the Federal Deposit Insurance Corporation said Application, and hereby ratifies and confirms the same, with the same force and effect as if said Application had been made in behalf of the Bank by this Board;

“RESOLVED, that a true copy of said Application shall be and the same is hereby made a part of the minutes of this meeting; that all of the written statements and representations therein made by said incorporators and all of the written information therein contained, submitted by them upon the several factors enumerated in Section 6 of the Federal Deposit Insurance Act to the Federal Deposit Insurance Corporation for the purpose of inducing said Corporation to accept this Bank, when organized, as a member thereof, be and the same are hereby adopted, ratified, and confirmed as statements, representations, and information submitted by this Board, except as hereinafter noted, with like effect as though made and submitted by it:

RESOLVED, that the President or Vice President and Cashier or Secretary of this Bank are hereby authorized and directed to prepare and transmit to the Federal Deposit Insurance Corporation, Washington, D.C., the following documents, properly certified by them:

- (1) One copy of this Resolution;
- (2) A copy (if not heretofore submitted) of the Articles of Incorporation or Association of the bank; and
- (3) A copy (if not heretofore submitted) of the License or other instrument authorizing the Bank to engage in the business of receiving deposits.”

Date: _____
(Name and Location of Applicant Bank)

(Seal) By: _____
(President or Vice President)

Attest: _____
(Cashier or Secretary)

