

**STATE OF OHIO
DEPARTMENT OF COMMERCE
DIVISION OF FINANCIAL INSTITUTIONS**

"An Equal Opportunity Employer and Service Provider"

APPLICATION FOR AUTHORITY TO CONVERT A
NATIONAL BANK, SAVINGS ASSOCIATION, OR SAVINGS BANK
INTO A STATE BANK

GENERAL INFORMATION AND INSTRUCTIONS

Who May File this Application

A national bank, savings and loan association, or savings bank in Ohio ("Applicant") may prepare and file this application with the Superintendent of Financial Institutions ("Superintendent") to obtain authorization to convert into an Ohio-chartered commercial bank pursuant to Section 1115.01(B) of the Ohio Revised Code.

Application Fee

The Division of Financial Institutions ("the Division") does not charge a fee for processing a conversion application. However, prior to the approval of the application, the Applicant must submit a check to the Division, payable to the Ohio Secretary of State, to cover the filing fee for the Articles of Incorporation of the state bank. The amount of the fee is based in part on the number of authorized shares of capital stock of the proposed state-chartered bank and will be determined after the application is accepted for filing.

Application Processing

The Applicant must forward to the Division one originally executed copy of the application and all attachments. Within 10 business days of receipt, the Division will conduct a preliminary review of the application to determine if it is sufficiently complete to be accepted for processing. Based on the results of this initial review, the Division will either accept the application for processing and so inform the Applicant in writing, or return the application to the Applicant for corrections or additional information. If the Division accepts the application for processing, the Superintendent will approve or disapprove the application within 90 days of the date of acceptance.

If the circumstances or assumptions upon which the application is based change significantly during the Division's processing of the application, the Applicant must report such changes to the Division and submit corrected or supplemental information. All of the items listed below must be received by the Division before the application will be deemed complete. If certain information requested below is not relevant, the application should so indicate. Furthermore, the Superintendent reserves the right to require additional information from the Applicant at any time during the application process.

If applicant currently has a charter, upon receipt of the application, the Division will request copies of the most recent reports of examination and other related examination information from the Applicant's primary regulatory agency, as well as the latest holding company inspection report from the appropriate federal regulator, if applicable. After a thorough review of the information contained in the application and reports of examination, the Superintendent may determine that an on-site entrance examination of the Applicant is necessary to evaluate the overall safety and soundness of the proposed state bank, in which case the Applicant will be assessed the actual expenses incurred by the Division in conducting the examination.

If, after review of the application and completion of the on-site examination (if any), the Superintendent determines that the proposed state bank meets the criteria set forth in Section 1115.01(B)(3), the Superintendent will issue a certificate of authority for the new state bank to commence business. The Superintendent will also forward a certificate of approval of the conversion and the bank's Articles of Incorporation to the Secretary of State for filing, whereupon Applicant may begin to operate as a state bank. Within 60 days following the effective date of the conversion, each director of the bank must execute an oath of directors.

Name Reservation

Under Section 1103.07 of the Ohio Revised Code, Applicant may secure the exclusive use of the proposed name of the state bank by submitting to the Division the name reservation form prescribed by the Ohio Secretary of State and a check in the amount of \$5.00, payable to the Secretary of State. Upon receipt of the reservation request, the Superintendent will determine if the proposed name is misleading or distinguishable from that in use or reserved by any other financial institution in Ohio. If the name is available, the Superintendent will approve the name reservation, forward it and the fee to the office of the Secretary of State for filing, and notify the Applicant by letter that the name has been reserved. The name reservation is effective for a period of 60 days from the date it is filed with the Secretary of State and may be renewed for up to one year from that date with the approval of the Superintendent. Once the conversion application has been accepted for processing by the Division, the proposed name of the state-chartered bank is considered to be reserved throughout the application process with no further action required on the part of the Applicant.

Confidentiality

Under the provisions of Section 149.43 of the Ohio Revised Code, once the Superintendent accepts the application for processing, it becomes a public document and must be made available for review by the public upon request. However, the Applicant may submit a written request that certain item(s) of information in the application be given confidential treatment pursuant to Section 1121.25 of the Ohio Revised Code. The permissible reasons for which the Superintendent may grant confidential treatment are set forth in Section 1121.25(A) of the Ohio Revised Code. The written request for confidential treatment must separately address and explain why each item of information should be given confidential treatment. The explanation should demonstrate the harm from public disclosure or the reason the item cannot be disclosed.

Information for which the Applicant requests confidential treatment should be specifically noted in the public portion of the application (by reference to the confidential section), separately bound, and labeled "Confidential." Upon receipt of the application, the Superintendent will review any information for which the Applicant requests confidential treatment to determine whether the request is justified and in compliance with Section 1121.25 of the Ohio Revised Code. The Superintendent will advise the Applicant in writing of the decision on confidentiality. Should the Superintendent determine not to give any such information confidential treatment, the Applicant may withdraw the information by written request within ten days of receipt of the Superintendent's decision. If the Applicant fails to withdraw the information within that ten-day period, the Applicant will be deemed to have waived its right to withdraw, and the information will become part of the public portion of the application.

Contents of Application

The application shall consist of the following:

1. A plan of conversion, including a business plan and a pro-forma balance sheet and other financial projections as of the conversion date showing Applicant's capital structure and any proposed changes or adjustments, including the disposition of any non-conforming assets and liabilities.
2. The Articles of Incorporation and new or amended Code of Regulations of the proposed state bank.
3. An officers' certification that the directors and shareholders of the Applicant have approved the plan of conversion and the proposed Articles of Incorporation and Code of Regulations in accordance with applicable state or federal laws and the Applicant's corporate documents.
4. A copy of the proxy solicitation materials furnished to all shareholders of Applicant in connection with the meeting of shareholders to consider and vote upon the plan of conversion.
5. A copy of the offering circular if the plan of conversion includes a stock offering.

6. A discussion of any changes that have occurred in the following areas since the Applicant's most recent regulatory examination/inspection:
 - a) For any new directors, list their names, addresses, occupations, years of service with Applicant, and the amount and description of any compensation paid to the director by the Applicant during the last calendar year. Also identify any person who is no longer a director.
 - b) For any new officers, list their names, titles, addresses, salaries and other form of compensation, backgrounds, experience, and years of service with the Applicant. Also identify any person who is no longer an officer.
 - c) For any new significant shareholders (i. e., any person or group owning 10 per cent or more of the Applicant's outstanding shares), list their names, addresses, and number of shares owned. Also identify any person who has ceased to be a significant shareholder.
 - d) Any significant new activity, product, service, operation, staffing, accounting or data processing system, policies and procedures, internal controls, etc.
 - e) Any significant increase or decrease in capital, loans, delinquencies, deposits, or earnings not in the ordinary course of business.
 - f) For new or closed subsidiaries, the name, address, and type of subsidiary, the Applicant's percentage ownership, services rendered, and date the subsidiary commenced or terminated operations. Submit a balance sheet and income statement for each listed subsidiary.
 - g) Any new pending or threatened litigation, claim, assessment, or other contingent liability. Also identify any significant resolved or terminated litigation, claim, or assessment.
 - h) Any significant changes in the trust area since the filing of the most recent FFIEC 001 Report of Trust Assets.
7. A list of the names and addresses of Applicant's branch offices, including any pending or approved-but-unopened offices. Also identify any branch offices to be closed as a result of the conversion.
8. A copy of the Applicant's latest annual audit report, management letter and management's response if issued subsequent to the most recent regulatory examination.
9. Any significant changes since the most recently filed quarterly Report of Condition and Income, including any amendments to previously filed Reports.
10. If Applicant currently exercises trust powers, a certificate of good standing from its primary regulator and a balance sheet for the trust department as of the date of the application.
11. A list of any services to be added or discontinued as a result of the conversion.
12. A detailed list of all activities, assets, or liabilities presently engaged in or held by Applicant that are impermissible for a state bank under current laws or regulations, and a discussion of the plans and timing for discontinuing the impermissible activities or disposing of the non-conforming holdings.
13. An estimate of the cost of conversion, including legal and consulting fees and any necessary improvements or additions to fixed assets.
14. The total dollar amount which Applicant presently has invested in premises, which includes land, buildings, leasehold improvements and capitalized leases. Furniture, fixtures and equipment should be excluded from this figure.

15. Detailed information concerning the status of any formal or informal regulatory agreements or supervisory actions or orders pending or entered against Applicant or any of its directors or officers within the past ten years.
16. A copy of the Applicant's Year 2000 conversion plan and current status report.

Please note: Applicant will be bound by, and will be expected to conform in all material respects with, all oral and written representations and commitments made in or in connection with this application. Further, all representations and commitments made on behalf of Applicant with regard to the application and relied on by the Superintendent of Financial Institutions in reaching a decision on the application are conditions imposed in writing by the Superintendent in conjunction with the findings and decision and may be enforced under Sections 1121.32, 1121.33 and 1121.35 of the Ohio Revised Code and other statutory provisions for addressing violations of conditions imposed by the Superintendent in writing.

Annual Assessments

State-chartered banks in Ohio are assessed annually based on their total assets as of December 31, billable semi-annually on the following July 1 and December 31. The annual assessment covers the cost of the Division's routine examinations and administrative services. In addition, a schedule of ancillary fees is adopted by the Superintendent each year for special examinations/visitations and certain applications.

Examination Requirements

Pursuant to Section 1121.10 of the Ohio Revised Code, as a state-chartered bank, Applicant will be subject to inspection and examination by the Superintendent at least once in each 24-month cycle. There is no fee for the first commercial examination during any examination cycle. However, should Applicant be classified a problem institution (composite CAMELS 3, 4, or 5) or be under supervisory action (memorandum of understanding, written agreement, or cease and desist order), the Superintendent may determine that additional visitations and/or examinations are necessary, in which case the bank will be assessed the actual cost incurred by the Division in conducting such visitations/examinations. In addition, the Superintendent will charge an hourly fee for trust examinations, if applicable, in accordance with Section 1121.29 of the Revised Code.

[] Draft [] Final (Check one)

**STATE OF OHIO
DEPARTMENT OF COMMERCE
DIVISION OF FINANCIAL INSTITUTIONS**

APPLICATION FOR AUTHORIZATION TO
CONVERT TO A STATE-CHARTERED BANK

Current Name of Institution

Street Address; City, Village, or Township; County; Zip Code

Name of Proposed State-Chartered Bank

We, the undersigned president and secretary of the applicant financial institution, hereby certify that all representations, data, and other information contained in this application and all other documents submitted to the Division of Financial Institutions in connection with the application contain no misstatements, misrepresentations, or omissions of material facts.

President

Secretary

Consultant:

Name

Organization

Title

(_____)_____
Telephone

Party to be contacted for additional information:

Name

Title

Address

(_____)_____
Telephone

Articles of Incorporation

Use of the language shown below is suggested, although it may be modified as needed to suit the purposes of the proposed bank, subject to the approval of the Superintendent of Financial Institutions (see Section 1103.06 of the Ohio Revised Code).

The shareholders of _____, a _____
(name of institution) (type of institution)
organized and existing under the laws of the _____, in order to
(State of Ohio or United States of America)
effect the conversion of the corporation to a state bank under the laws of the State of Ohio, have adopted these Articles of Incorporation by the affirmative vote of the holders of _____ percent of the outstanding shares of the corporation at a meeting of shareholders duly called and held on the _____ day of _____, 20____, at which meeting a quorum of such shareholders was present in person or by proxy.

ARTICLES OF INCORPORATION OF

Name of Bank

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 _____ of _____, County of _____, State of
(City, Village or Township)
Ohio.

THIRD: The Corporation is formed for the purpose of conducting the business of a commercial bank and a trust company*, of receiving money for deposit on such terms as may be agreed to, and of investing and loaning the funds of the Corporation and those received by it on deposit, and in furtherance of said purposes, to exercise all of the powers which may lawfully be exercised by a corporation formed therefor and to do any and all things necessary or incidental thereto pursuant to the provisions of the Ohio Revised Code, as now in force or hereafter amended.

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

IN WITNESS WHEREOF, _____, President, and _____, Secretary of said Corporation, acting for and on behalf of same, have hereunto affixed their signatures this _____ day of _____, 20____.

President

Secretary

*The reference to trust company may be deleted if Applicant does not presently have or intend to apply for a license to conduct trust business.

